

JULY 1949

Nation's

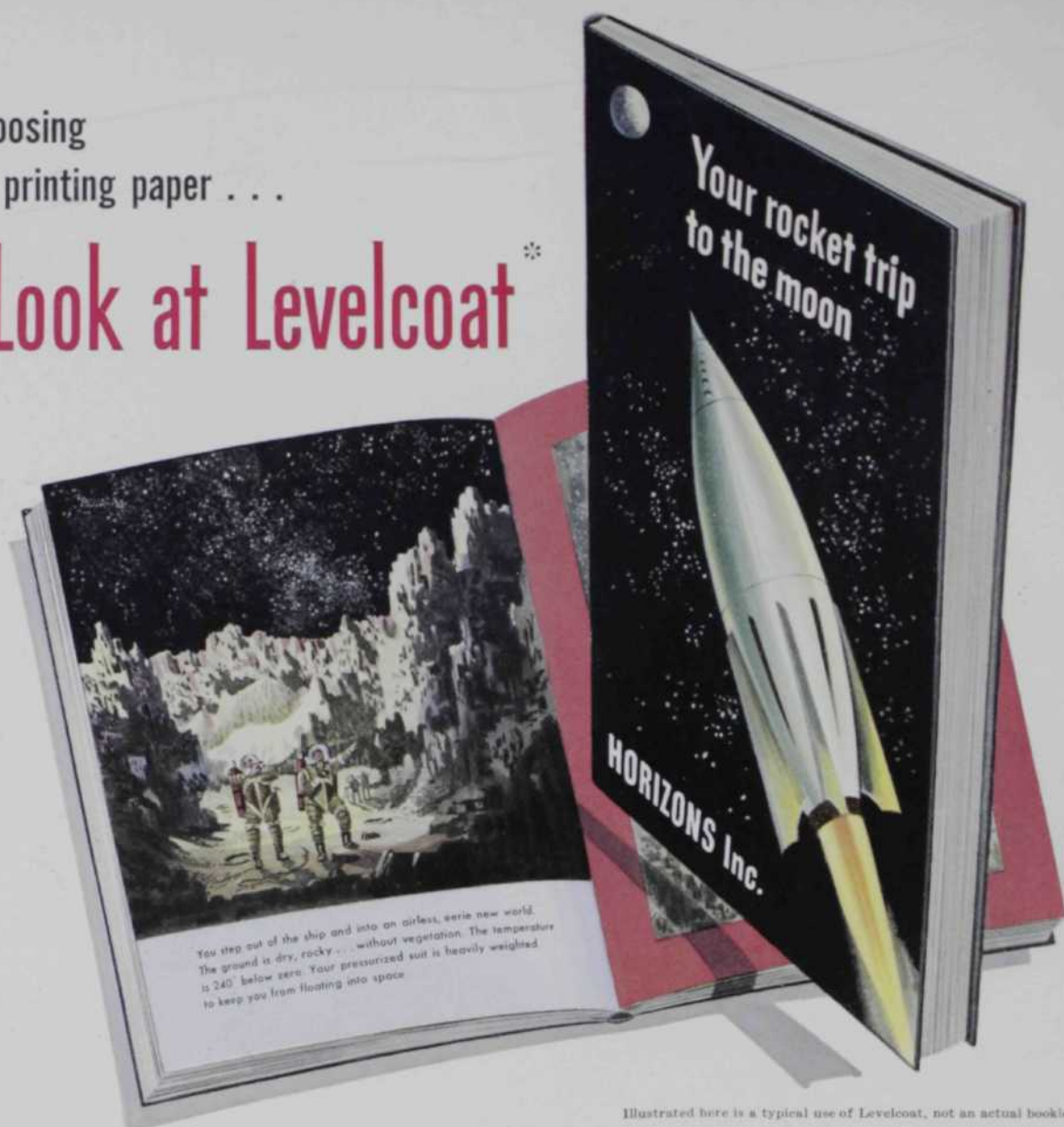


BUSINESS



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Illustrated here is a typical use of Levelcoat, not an actual booklet.

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The exciting beauty of a product is often lost by cloudy reproduction. But imagine that product suddenly made so life-like . . . so sparkling with sales appeal . . . that you feel it's ready to move right off the page! That's what snap and gloss combined with optimum brightness can do.

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PRINTING PAPERS



Levelcoat printing papers are made in these grades: Trufect*, Multifect*, and Rotofect*.

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Photo taken in Southern Illinois coal fields by William Vandivert


Offhand you might suppose that this huge tube is a factory smokestack. But it's really a spare "spoon handle" for a giant shovel used in surface coal mining. This big boom carries a price tag of \$12,500—which is a lot of money for a spare part. Yet if one such boom should fail, it would take over eight weeks to build a new one—tying up for the entire period a shovel costing more than \$650,000!

Mechanized mining calls for immense capital expenditures. A medium-sized loading machine now costs about \$20,000, a 6-ton electric shuttle buggy about \$12,000, and some mobile cutting machines cost as much as \$28,000, while the building and equipment of a modern preparation plant is a million-dollar project. Some large ones built since the war have represented an outlay of as much as \$7,000,000 each!

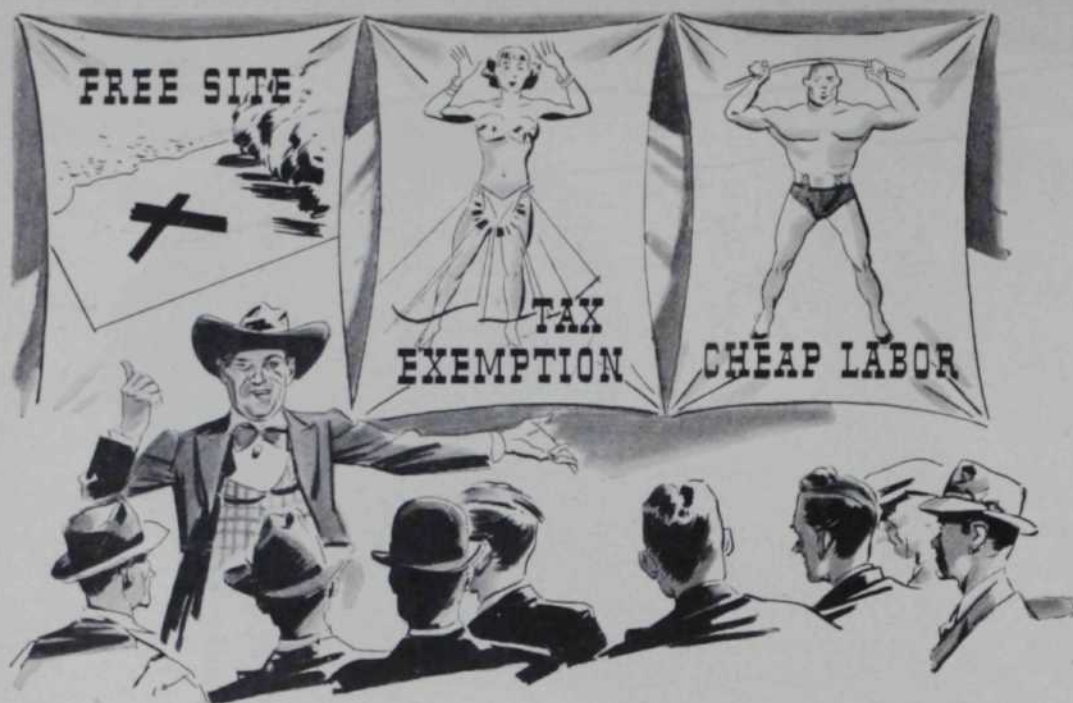
Today the progressive coal industry is carrying on a billion-dollar mechanization program—designed to raise mine output of quality coal while keeping pace with the nation's increasing coal requirements.

Better tools and working conditions for coal miners are matched by improvements in living conditions.

Today, almost two-thirds—more than 260,000—of the nation's bituminous coal miners either rent from private landlords or own their own homes, and home ownership among miners generally is on the increase. This is good for families and their companies alike. It gives to the miner the greater satisfaction and security that come with living in a "home of his own," and it frees management and capital for the big job of getting maximum coal production at the lowest possible cost.

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Poor pitch... for community builders !

Ever since the earliest Colonial days... free land or buildings, tax exemption or reduction, and low rate labor... have been held out as local lures to new industries. Yet such bargain offers usually prove unprofitable—deprive the community of taxes needed for normal civic services, and work none too well for the takers.

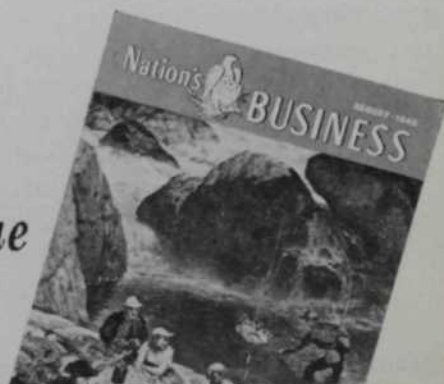
Today housing available for workers, bus lines and parking facilities, a good school system and fire department, mean more to progressive management. How a hundred firms picked postwar sites... a new study made especially for *Nation's Business*... lists the advantages good companies look for in a new location, emphasizes the failure of many community promoters to feature their best assets—and may hold eye-openers for most readers!... Make a mental note now—not to let next month's *Nation's Business* get away from you before you read "How To Sell Your Town" by Norman Kuhne... Something special—

✓ **Small** investors can be sold common stocks, if brokers and bankers learn how to sell the public... See significant story by Arthur Bartlett.

✓ **Mink** coats carry price tags of from \$2,000 up, but you get only what you pay for... Kathrene Pinkerton's "So Your Wife Wants a Mink Coat" is worth reading—even if she doesn't!

✓ **South** America has been a better customer for USSR ideas than for those made in USA... and the consequences can be serious for us! Read "Communism on Our Doorstep" by John W. White.

...in your August issue





"The Voice with a Smile"

"Hail ye small, sweet courtesies of life;
for smooth do ye make the road of it."


Often we hear comments on the courtesy of telephone people and we are mighty glad to have them.

For our part, we would like to say a word about the courtesy of those who use the telephone.

Your co-operation is always a big help in maintaining good telephone service and we want you to know how much we appreciate it.

BELL TELEPHONE SYSTEM



A black and white photograph of a large broom with a wooden handle and a wide head of bristles. The broom is positioned diagonally, sweeping a large pile of dark, clumpy material (likely dirt or debris) from the left side of the frame towards the right. The background is a light, textured surface.

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Make A Clean
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Nation's Business



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JULY, 1949

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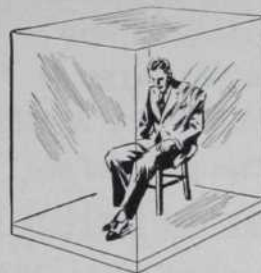
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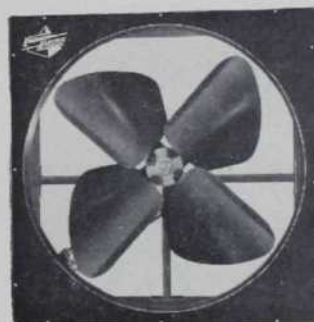


CAPTIVE AIR

can lower the efficiency of your whole organization

Without proper ventilating equipment, the picture above is probably being enacted, on a less dramatic scale, in parts of *your buildings today*. Worse, because the fumes, dust and odors natural to many businesses are *added* to already-polluted air. Remember, the good ventilation assured by dependable Emerson-Electric fan equipment pays *dividends*... in higher morale, better work, happier customers. See your electrical contractor, or write for Bulletin No. T-155.

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DEPARTMENT OF
COMMERCE

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When your place burns, your business stops, your profits stop, your earnings stop... no matter how much insurance you carry! You want business protection as well as fire insurance, and that's what a Blaw-Knox sprinkler system gives you. Let us show you how quickly savings in your insurance premiums will pay for sprinkler protection that stops a fire when it starts. Write for details.



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About Our AUTHORS

THE YEAR that Germany joined the League of Nations (1926), **JULIUS HIRSCH**, at one time price administrator and secretary of state of the Weimar Republic, wrote a book entitled, "The American Economic Miracle." It was not until 15 years later, however, that he and his wife Edith, fleeing from the Hitler regime, were to become a part of the American economic miracle. Shortly after his arrival in the U. S., Hirsch became chief consultant to Leon Henderson and wrote this country's first textbook embodying the experiences of European and American price administration.

In the past few years the Hirsches have become best known for their articles and statements on the world food situation. Mrs. Hirsch first became interested in this problem in Berlin where she helped organize food kitchens for the unemployed. Last year she made an extensive trip to Europe to study the food situation and agricultural policies at first hand.

WRITING about an airline would seem to be an odd interest for one who earns his weekly pay check covering conventions, fires, murders and other metropolitan phenomena as a reporter for the *Chicago Daily News*. "It becomes still odder," explains **PETER LISAGOR**, "when you consider that my major experiences aloft have consisted of riding C-54's as an editor of *Stars and Stripes*.

"Before all that, however, I was figuratively 'up in the air' as a student and graduate of the University of Michigan (1939), where, despite a varsity baseball career, six or seven concurrent jobs and a lively interest in the social mores

of Ann Arbor, I managed to attend a few classes. I was a sports reporter for a time, ultimately covering the White Sox, a depressing experience in light of that '42 team but better by far than working for a living. Ex-sports writers should have their heads examined, with one exception—if they become Nieman Fellows at Harvard. That was my luck recently. I had a full diet of history, government and economics. The year was regrettable in only one respect—my son wants to go to Harvard and I doubt if I can afford it."

THE LITTLE guy shown tripping the light fantastic on pages 33-35 is **JIM BISHOP**, who overcame two left feet and a lifelong disdain for dancing in the process of reporting on business in three-quarter time.

Bishop, though he may not look it, is a veritable ball of fire. Not only is he running for the office of freeholder in his own home town and handling public relations for the medical society in his county, but he is probably the only author-editor-literary agent in the country. He authored "The Glass Crutch," a best-seller on chronic alcoholism, and once had 16 straight articles accepted by one of the country's leading weekly magazines. On the desk side, he has been associate editor of *Collier's*, executive editor of *Liberty* and literary director of the Leland Hayward office. Then there was a 13 year period of doing rewrite for a Hearst paper.

THIS MONTH'S "Washington Scenes" was written by **ANTHONY H. LEVIERO** of the *New York Times*' Washington bureau, batting for Edward Folliard, on vacation.



IVAN RUSSETT





"LUCKY THAT CAR WAS GOING SLOW, YOUNG LADY!"

IF THE man in that car hadn't been a careful driver, he might not have seen you in time. I hope this little scratch will teach you *never* to play in the streets!"

Traffic Safety should be *your* aim—and *your* responsibility as a car owner. Know the laws and respect your traffic officer—heed road signs and signals. Drive only at reasonable speeds, slower after dark. Keep in your own lane. Don't insist on "right-of-way." Pass only when you have clear vision ahead. Don't mix driving and drinking. Stay well

behind the vehicle in front of you. Keep your car in top condition. And-by all means carry adequate *automobile insurance* with a sound, reliable, nationwide organization such as Hardware Mutuals.

Phone Western Union

Use this convenient "get acquainted" service. *Simply call Western Union by number, ask for Operator 25, and say you'd like the name and address of your nearest Hardware Mutuals representative. You'll find him worth knowing!*

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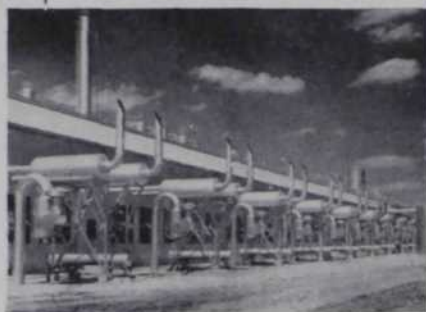
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Please send me your bulletin describing the new SDG Slug Buster Snubber.

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Vacation business

THROUGH these two summer months one of the country's biggest businesses hits its peak level. According to various estimates, some 80,000,000 persons go on vacations and their expenditures run around the \$8,000,000,000 mark.

Three factors are cited as reasons for believing that the resorts and travel facilities will fare nicely this season. Almost nine out of ten workers now receive vacation time with pay. Then, again, the average family has a "real income" (that is earnings adjusted for prices and income taxes) which is better than 50 per cent above 1940. As a third factor, there are almost 5,000,000 more automobiles in use.

There may be more shopping around for vacation bargains because that seems to be the temper of the times. Holiday business ought to be good, though, both for those who spend and those who make out bills.

Public welfare

FINDING a way to deal with strikes and work stoppages in key industries that affect public health and welfare is still pretty much an unsolved problem. Injunctions, compulsory arbitration and plant seizure have all been tried and found wanting.

LeRoy Marceau, member of the Louisiana Labor Mediation Board, and Richard A. Musgrave of the University of Michigan, offer a unique proposal, however, in the *Harvard Business Review*. They call their device a "statutory strike." The men would continue to work and the company to produce but the usual losses of a stoppage would be assessed against both parties and deposited in a public trust fund.

The authors of the suggestion believe that in this way the union would be able to exert its economic strength and the companies would

be put under pressure to settle. They are ready to concede both legal and practical disadvantages in their plan but they also submit that the proposal supplies a framework for a solution.

Science and humanity

THAT physicists and engineers increasingly have come to realize that their discoveries are outrunning the social sciences was illustrated recently in an address made by E. Finley Carter, vice president in charge of engineering of Sylvania Electric Products, Inc. He said that a challenge is presented to engineers and scientists to become better human engineers.

The problem is like that which presented itself at the beginning of the industrial revolution. The forces of gravity, electricity and magnetism, to say nothing of atomic forces, Carter said, were not accepted as real. It has not been long since their manifestations were looked upon with awe and surrounded by superstition. It took dynamic men to overcome the inertia of accepting things as they were, and brave men to overcome the negative force of public opinion.

In emphasizing that engineers must become human engineers to provide the healthy social and spiritual structure in which their brain children may thrive, Carter said it is high time that "we learn better how to live with our inventions and with each other."

Works both ways

"OPEN HOUSE" programs are spreading in industry. These are the plant tours arranged to acquaint community members and the public at large with what goes on where the wheels go round. Guides explain what the workers are doing, what they are making, where it is sold. The result is the obvious one of creating a friendlier

attitude toward the enterprise. It even works the other way on management. Thus, a mill executive is quoted by the Textile Committee on Public Relations after his last guest had departed:

"That was fun and it was good business. It did something for me personally. I feel a more honest friendliness tonight toward our employees, our company and the people of this town. I have a feeling they all feel that way toward us. It's the old story—it's hard to dislike people you know and I'm making it my business to know and be known by more people in our plant and our community."

Elevator rules

TELEPHONE rules have been broadcasted and now come elevator rules. The Otis Elevator Company in an effort to improve elevator service engaged two outside organizations to find out what passengers would suggest.

The company put together a leaflet after these surveys which gave 18 of the most common gripes. Heading the list was a suggestion that visitors ought to check the building directory for the floors they wanted. Another squawk was aimed at the fellow who gets into the rear of the car when he wants to get off at the second floor.

The women, according to the survey, believe that men ought to know by now that they don't have to take off their hats in a crowded business elevator. It just takes up room. And, Emily Post notwithstanding, let the men step out first if they are nearest the door.

Industrial shows

FOR YEARS advertisers have had the Audit Bureau of Circulations to measure publication readership and radio has had its Hooper rating of listeners. Somewhat the same treatment was given to an industrial exposition recently when Clapp & Poliak, Inc., show management concern, announced the results of a survey made to measure the attendance and value of an industrial exposition.

The survey, made by Elmo Roper in cooperation with the American Society of Mechanical Engineers, covered the third Materials Handling Show held early in the year in Philadelphia. This show in three years has become one of the three largest industrial exhibitions in the country.

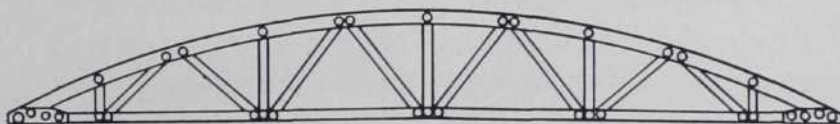
Materials handling is probably one of the fastest developing industries in the country as efforts

RILCO WORKS WONDERS WITH WOOD

GLUED-LAMINATED WOOD STRUCTURAL MEMBERS

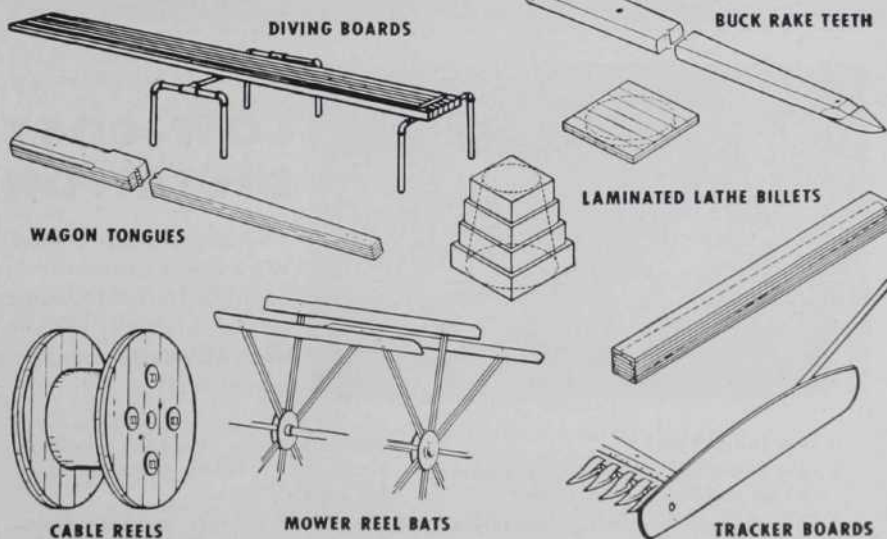
Take another look at wood . . . for, today, it's a brand new material. Rilco engineering has made it stronger, more versatile, easier to work with than ever before. Rilco leads in glued-laminated wood fabrication of light and heavy rafters, arches, and trusses—designed by specialized structural engineers. These pre-engineered framing

members build wide post-free buildings such as factory and production buildings, warehouses, auditoriums, etc. They come to the building site precisely fitted and drilled—ready to put up. They save hours and days of erection time. They make sturdy buildings that need no inside supporting posts . . . give you more flexible and usable space.



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WOOD PARTS FOR INDUSTRY



The strength and easy workability of wood has always saved time and production money for scores of industries. And today the new science of glue-laminating is breaking down the barriers of size and shape . . . putting wood to use in dozens of new, imaginative ways. In addition to the diving boards, wagon tongues, cable reels and hay mower reel bats shown in the

sketches, Rilco is currently producing many other interesting and useful products for widely varied industries.

Why not let Rilco design and produce special wood parts for you? When you have a problem wood may solve, get in touch with Rilco. We know wood . . . we think wood . . . we work wonders with wood. Just drop a line to the address below.

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my Desk?
You Bet!



It's amazing how much faster and easier your secretary's work flows over her STEEL AGE Secretarial Desk. It's so beautifully designed and constructed, you'll wonder why you hadn't made this smart investment in office efficiency before!



At Leading Office Furniture Dealers from coast to coast!

CORRY-JAMESTOWN
MANUFACTURING CORP., CORRY, PA.
Master Craftsmen of Steel Office Furniture

are turned toward reducing costs. The survey revealed, however, that 86 per cent of the visitors to the show not only saw equipment of value to their companies but equipment they had not known about before. Some 74 per cent said they planned to buy equipment as a direct result of viewing it. While 42 per cent responded to ticket invitations, some 35 per cent decided to attend after seeing advertisements in business publications.

Impulse buying

NOW THAT supplies of all kinds of goods are plentiful, retailers are giving much more attention to what is called "impulse buying." This kind of buying also goes by the name of unplanned buying. The customer, in short, goes to the store and, after buying certain essentials, picks up other things.

The "other things" run into billions in trade, especially now that what economists call discretionary buying power runs so high. People, in other words, have more money to spend for extras or the things above and beyond the necessities of life.

To capture this business in extras, storekeepers must make a good choice not only of merchandise but also of its packaging. Good merchandise in unattractive packaging is not likely to catch the eye as an impulsive buyer makes her selections.

While packaging has made great gains through the efforts of industrial designers, merchandising experts and machinery men, there still must be plenty of space for improvement. One of the experts for a big store recently complained of "too much sameness."

Where profits go

WHEN citizens of Olean, N. Y., were shown through the Daystrom plant there, which manufactures chrome furniture, they saw a machine with this placard on it: "This machine cost \$12,000. Profits buy tools, tools make jobs."

Thomas Roy Jones, president of American Type Founders Incorporated, parent company of Daystrom, believes in conveying his message graphically. Copies of a recent company financial statement were distributed to employees in simplified and illustrated form. A pocket in the booklet contained a small phonograph disc which was a recording of the president's message.

ATF can back up its story of where profits go. Its last report



for the first time...

LOW-COST DICTATION!

Webster-Chicago Model 18 Wire Recorder is the first quality dictation instrument priced especially for small offices, business or professional men.

- Low initial cost!
- Low operating cost—magnetic wire can be used over and over!
- Easy to use—dictate and transcribe with same unit!
- Small—easily portable—barely larger than a desk-type file basket!

Model 18 is the answer to low-cost dictation for thousands of business people who have always needed it but could not afford it.

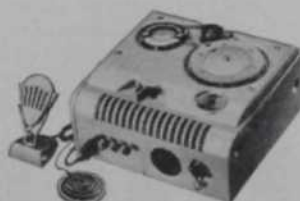
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- Flexible—records general dictation, meetings (with many voices), reports, speech rehearsals.
- Foot controlled—leaves hands free!

ONLY \$135.00 (WEST OF ROCKIES \$137.00)



Mail the coupon now for full details and the name of your nearest dealer.

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5610 West Bloomingdale Ave., Chicago 39, Ill.
Please send me complete information about the Model 18 Wire Recorder for Low-Cost Dictation.

Name _____
Address _____
City _____ Zone _____ State _____

showed a profit of 8.6 cents out of each dollar of income. The stockholders got 1.5 cents and 7.1 cents were ploughed back into the company for reinvestment and expansion. The sign on the machine was just part of the story.

Your car is your seat

BY THE END of this year there may be 2,000 drive-in movie theaters. This new industry numbered about 100 at the end of the war and now it accommodates more than 600,000 cars for each nightly performance. The attendance, therefore, is estimated at almost 5,000,000 persons daily, according to the Automobile Manufacturers Association.

The modern drive-in has space for 600 to 800 cars and each one has about three paying patrons who don't have to worry about baby sitters because they bring the children with them. They now see the best films and are called "ozoners" by the film industry.

Drive-in theaters get half their revenue from sales of candy, soft drinks, sandwiches, cigarets and other items. Some even have automatic laundries which fix up the week's wash during the show.

Ladies for showers

LABOR was in tight supply at Boltz, Pa., until the Imperial Coal Corporation built a shower room—and not just the barracks type. Chromium fixtures, copper piping and colorful tile were used in the construction, and 125 lockers installed.

Some of the miners were a bit indifferent at first and stalked from the pit-mouth to their homes in all their grimy and unkempt state and glorying perhaps in their appearance as real sons of toil.

An "open house" for the families changed all this, however. The women of the household got a look at the new shower room and the appropriate order was issued: "A shower for you, my man, and no tracking up the house with stuff from the mine."

Twenty-five new men applied for jobs in the first week.

Inside frauds

EMPLOYEE frauds cost business somewhere in the neighborhood of \$400,000,000 a year, according to an estimate used by J. S. Seidman, accounting consultant to the Hoover Commission. He offers some ways to reduce these losses in the *Accounting Forum*, which is pub-

If you ship on Credit



**Important Assets may be
Out of Sight . . . Out of Mind
. . . but NOT Out of Danger!**

BETWEEN the time credits are approved and goods are shipped . . . and the time your customers pay you . . . many unforeseeable events can occur to turn your good credit risks into bad debt losses. To name a few: shifts in public taste, new inventions that render products obsolete, wide price fluctuations or other economic changes, labor disturbances, new government restrictions, glut of foreign goods, etc.

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lished by the Accounting Society of the City College School of Business and Civic Administration (New York).

As a safeguard against fraud, Seidman would have dollar figures spelled out on petty cash slips and in ink. He also suggests a division of duties between the person who is in charge of petty cash books and the person who records the accounting for that cash, and another such division between the person who draws the payroll, the person who stuffs the envelopes and the person who hands out the money.

And after citing several more rules, Seidman concedes that the real cushion against fraud is the individual's human background and its stresses and strains.

World commerce support

HERE and there industrial attacks upon the trade agreements which were designed to promote a freer flow of world commerce obtain labor union support but for the first time the over-all policy of labor is backing up the country's objectives. The "empty dinner pail" argument of the '90's, when men marched to register protest against lower tariff rates, has been forgotten.

The CIO is backing the European Recovery Program, the Reciprocal Trade Agreements Act and the adoption of the charter for an International Trade Organization. In an issue of its publication, *Economic Outlook*, it states that labor has a direct stake in international trade, not only because the United States is such a large exporter of the products of American labor but also because most of the goods we import are essential to keep our machines operating and our standard of living high.

Against the argument that lower tariffs reduce American wages, the labor organization bluntly states that we have been competing successfully with the rest of the world since 1875 because in almost every year since then our exports have exceeded our imports.

"High productivity, rather than the American tariff," the CIO maintains, "accounts for the American wage level. If our labor productivity were low, we would have had low wages even if our tariffs were raised a thousand times. Many foreign countries have much higher tariffs than the United States, yet their wage levels are lower than ours simply because their productivity is lower than ours."

MANAGEMENT'S *Washington* LETTER

► **LOOK FORWARD**—beyond recession. There you can see long, strong high-level business era.

Tough times come during adjustments. But with them comes competition. And competition brings better products, sounder values, willingness to work, better management.

Tough times bring battles for markets, and these bring out America's productive genius.

They squeeze out high-cost operators who add to inflation by inefficient production, high prices.

They leave all business in more competent hands—with men better able to handle problems of credit, labor relations, sales, purchasing, production.

Increased desire—that's motive power behind expansion of consumer markets.

Don't overlook, underestimate desire developed during war and postwar boom.

Millions tasted travel, high wages, the things high wages buy. They liked the flavor. They want more.

We're not surprised that an American-made jeep fascinates the Hottentots, that American standards introduced to the world by U. S. troops brought desire for better standards of living.

Neither is it surprising that American farmers, rubber workers, laborers, office workers are fascinated by travel, by a room for each child, by labor-saving mechanization.

► **THAT BOLD NEW** program has come home to roost.

Remember Point Four in the President's inaugural address? That's the one to spread economic development to faraway places with strange-sounding names.

But now the places are closer to home. And the names sound more like Bangor, Buffalo and Butte.

Murray bill appears to be domestic application of Point Four.

Its sponsors have tagged it the "Economic Expansion Act of 1949." And who can be against that?

Under the proposed legislation government funds would finance, or help finance, an ever-expanding U. S. economy.

It's the opposite end of the string from the Spence bill, that would have controlled the economy to save it from inflation.

But the upward spiral turned downward

even before it was introduced. So Spence bill fell flat.

Now comes the Murray bill, supported by government controllists, to save the economy from deflation.

It would authorize government loans or guarantees on loans to nearly all sizes and types of business.

President would be given power to designate expansion areas and lend money for new facilities in steel, freight cars, iron ore, iron ore shipping facilities, manganese and copper, lead, zinc, bauxite, aluminum, synthetic liquid fuels, electric power, fertilizers, timber, newsprint.

It also would cut taxes on facilities built under government program by allowing full depreciation in five years.

Under another provision the bill would offer interest-free loans of \$1,000 to unemployed to finance search for a job.

In an over-all advisory capacity would be a National Economic Advisory Board.

On it would be representatives of industry, labor, agriculture, consumers, government.

This board would hold periodic meetings with the President's Economic Advisory Council.

Once a year it would hold a national conference to develop "general principles and methods to encourage improved development" of price, wage and profit policies that might tend to expand the economy.

Included in the proposal would be organization and finance to develop a \$15,000,000,000 backlog of public works to be used to avoid or soften economic downturns.

Funds would be advanced to states and other political subdivisions to prepare detailed plans of public projects.

Although Murray bill would find few supporters in Congress today, continued down trend in business level would enhance its chances of adoption.

So its backers await propitious time to push it.

Present outlook: Congress might pull out and pass the public works backlog section, junk the rest.

► **LOOK TWICE** before you buy a farm—or lend on one—if Secretary Brannan's latest farm proposals become law.

Look first at the farm. Then at its

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acreage allotments and marketing quotas.

Under Brannan plan these would be set on a historical basis. Farm with high production record would get high quotas. Low production over base period would bring low quotas.

Thus, Government's allotment and quota fixing authority would give it control over value—therefore price—of land.

Purchasers from farmers would have to become quota cops, for they would be liable with the farmer for the penalty on crops sold in excess of quota.

► **INDUSTRIAL PRODUCTION** will continue to slide off until the first or second quarter of 1950.

Decline will not be greater than 15 per cent from 1948's record high.

That's opinion of Charles E. Wilson, General Electric president.

Let's take a look at what 15 per cent off might do to General Electric.

Just to try it for size, apply 15 per cent to sales. GE's 1948 sales were \$1,632,701,000. The 15 per cent would be \$244,905,150—on an annual basis.

Employment level would not necessarily follow production pattern closely. But again just to see what "15 per cents" can do apply it to GE's average 1948 employment of 196,798 persons.

That would be a loss of 29,520 jobs.

Production drop of 15 per cent probably would bring a much greater drop in earnings, since profit is made on the last—not the first—goods sold.

Note: New England chemical firm passed its June dividend because a 6 per cent drop in sales caused a "considerably lower profit."

Just to see how it would look, let's apply a 15 per cent cutback to General Motors (although theirs is one of the strongest markets today).

GM's 1948 sales were \$4,700,000,000. Take 15 per cent off that, and the drop would be \$705,000,000.

The company's average employment was 380,329. The same percentage drop here would mean a loss of 57,040 jobs.

And at GM's 1948 average weekly pay scale, the payroll loss would be \$3,656,264—each week.

Whether GE and GM take a 15 per cent bump or not, try it on for size in your own business.

And on a national scale, 15 per cent

drop in employment would mean 9,000,000 out of jobs.

Note: If industrial-production drop continues through this year at rate of decline established since last November, cutback by year's end would be 20 per cent under 1948 high.

► **SHRINKAGE IN NATIONAL** income will knock \$2,100,000,000 off Treasury's estimated federal receipts in fiscal year ending June, 1950.

So Colin Stam, general counsel of joint committee on internal revenue taxation, concludes.

But take off another ten per cent from federal receipts and you have a new deficit of \$4,000,000,000—in addition to the deficit already expected.

► **IT'S TIME FOR YOU** to get away from averages, get down to specifics.

You can't do much about the over-all anyway. But you can do something about your own operations.

Remember, industrial levels reflect averages.

If steel should go down to 70 or 75 per cent of capacity by fall, it won't mean that any single plant is operating in that percentage span.

Some will be running along at 85 or 90. Some at 30. Some will be closed.

Main point to you is: How will you be doing, regardless of the average?

Will you be operating at 90, 30, or zero?

In your line—as in steel—the outfit with up-to-date technology, with smart sales push, will ride far above average.

► **BANKERS' CUSTOMERS** are getting worse.

As usual on a downturn, the best risks are in the best shape. They don't want debt, are paying up their existing loans.

What's left are the poorer risks—those the bankers aren't anxious to take chances on in view of outlook.

That's why bank loan applications are rising—and loans granted are dropping off.

Bankers consider a man who's been in business only since 1939 a questionable risk—he's never seen bad business.

► **HOW'S YOUR BEST** customer doing?

Radio, television maker last month filed reorganization plan in Chicago Federal Court.

Plan calls for 15 per cent cash payment on unsecured claims.

Chances are that firm was some suppliers' best customer, largest outlet.

Suppose that supplier had his receivables in hock at the bank for 50 per

cent of face value. In that case he'd be broke.

That's how failing or faltering firms carry others with them.

Can you be broke—and not know it?

► HERE'S HOW cutbacks spread—

Midwestern auto dealer finds his volume this year about same as last.

"But," he adds, "the lack of profit in it is frightening."

Profit is shrunk by higher costs, buyers' demands for better trade-ins, almost dead stop in used car sales.

So what does the dealer do?

He's canceled order for a \$1,100 sign for his new \$130,000 building.

He's making his old office furniture do, cut in half contract for paving his used car lot, abandoned plans for wire mesh fence around lot.

He's canceled order for electric welder, cut down on his shop-equipment program.

So half a dozen lines get direct effect of dealer's lower profit margin.

"Six months ago my policy was 'If we can use it buy it,' now it's 'If we can get along without it, don't buy it.'"

Note: Slump's in profit, not in sales. He's still moving as many cars as year ago.

► YOU CAN EXPECT big drop in railroads' demand for steel by September 1.

That's date rails' new pay scale becomes effective—present 48 hours' pay for 40 hour week.

So rails push maintenance work, plan to complete as much as possible before pay jump takes effect.

Principal material is steel, for rails, bridges, other structural pieces.

► SOME ORDER CANCELATIONS are not as bad as they look. For example—

Oil company canceled all its outstanding orders for delivery of well casing—steel tubing that lines oil well walls.

Until 60 days ago casing was scarce, orders were placed wherever they had chance of getting it.

Sudden supply overstocked oil field yards, brought cancelations.

But they'll be in effect only until stocks are worked down, when company will come back into market for more.

► NEARLY 40 PER CENT of stocks offered in past year have been under special subscription rights.

Previous holders or subscription-rights purchasers had first crack at them.

That's why drop in margin requirement for special subscription issues is im-

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portant. Federal Reserve cut margin from 50 to 25 per cent.

Public utilities, which often offer stocks under subscription rights, are expected to find financing made easier by lower margin.

Extreme scarcity of equity capital is disclosed by figures that show only 4½ per cent of capital invested in corporate business in 1946, '47 and '48 was raised through stock issues.

These accounted for only \$3,700,000,000 of the \$82,200,000,000 invested.

Most came from borrowing, retention of earnings, depreciation reserves.

► TUG-OF-WAR develops between customers and employees.

In many consumer lines customers delay buying in belief prices are coming down.

But employees who make the goods want more pay, or at least want to hold the line, prefer to work shorter hours rather than take pay cut.

Question is: Which side can outlast?

► DON'T KEEP YOUR nose too close to the grindstone.

It's a good idea to get out and look around—see what the other fellow is doing that you might do profitably.

Eastern department store executive took swing through middle west, came back with several sales-boosting ideas.

Chief among them: Fix up the downstairs, lower-priced selling areas.

That's where current sales volume is. Other stores, he found, are decorating, installing air conditioning, making them as attractive as possible.

There's rising competition between mail order house retail outlets and department store lower-priced lines.

► BRIEFS: Want a subway? Present building cost: \$30,000,000 a mile....Edison Electric Institute says this year's reserve capacity will reach 9.7 per cent of demand. That's nearly double 1948 reserve....On 1948's record-breaking business General Electric paid in taxes 3½ times as much as it paid in dividends. ...Washington bank made a count, found more than 2,500 new unsold homes in District of Columbia area....Last month's high school and college graduates who can't find jobs can get work on farms if they want it. Work, that is.

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TRENDS



OF NATION'S BUSINESS

The State of the Nation

FOR the first time in more than a decade, college and high school graduates are facing a tight employment situation.

The India ink is dry now, on those handsome parchment certificates of the higher learning. Indeed, sheepskins awarded to the class of 1949—from Maine to California—are already beginning to gather dust. But that does not mean that in every case a pay envelope is coming in. Many a youth is discouraged because he has not yet found a job. Of those at work, some are disappointed because the pay is more meager, or the conditions more onerous, than they had expected.

Parents, whose admiration for Junior is often weighted with great expectations, would do well to consider his psychology at this moment. For there is a difficult gap to be bridged between the generations. The fathers of this year's graduates can all remember their own initial steps in the competitive world. Few of them expected consideration and tenderness when they started to work for a living, and few of them got it. With the class of 1949, it's different.

For at least 16 years, which means ever since the early childhood of those now seeking their first jobs, the persuasive opinion has been that every American is automatically entitled to more or less pleasurable employment. Gradually, but very definitely, these years have seen a shift in social emphasis. The question that the parents of today asked themselves at 21 was generally: "What have I to sell?" The question of their children is likely to be: "What can I claim?"

The war, in spite of its dreadful toll on our young manhood, has in the outcome contributed to that shift of emphasis. By the mere urgency of the call for his services every young man was made to believe that he was wanted, as an individual. In addition he was led to think that, if he survived, all his sacrifices would somehow be personally compensated. For those too young to fight—and they compose most of the graduates of 1949—the reward was to come without the sacrifice, and in spite of the demoralization that war brings.

• • •

So those who are taking—or seeking—their first regular jobs this summer are psychologically unprepared for the present atmosphere of uncertainty, contraction and recession. Most thoughtful parents have anticipated the economic deterioration that is now apparent. They were not brought up to believe in the possibility of an "ever-normal granary." Their contrary experience is that what goes up is eventually certain to come down.

But for young manhood the very word "recession" has an unnatural sound. Contemporary youth has been taught a doctrine of automatic advancement. Recession, then, must be contrary to nature; must be the fault of somebody, or something, somewhere.

A good deal of this resentment is likely to focus on what is called "free enterprise," the more so because the current crop of college graduates has

had more instruction in the deficiencies than in the virtues of capitalism. And one must expect that the sense of frustration, in all young men who are finding it difficult to get a start, will translate easily into criticism of "the system." Indeed, we know that the shrewd men in the Kremlin are counting on an American depression to bring mass converts to communism among our intellectuals.



Every father, from his own domestic experience, will recognize the need of treating youthful frustrations with sympathy and understanding. The problem is how to make this natural goodwill more broadly applicable in commercial operations. No employer can be expected to create an unnecessary job for a young man, merely because the applicant is sensitive and inexperienced. On the other hand, every employer can recall occasions when a helping hand meant much to him.

Every successful man who is also honest will admit that it isn't all due to his personal worthiness. More than once he "got a break." There is a debt involved in that. Probably no living captain of industry can now repay those who first looked sympathetically on his early struggles as a raw recruit. The benefactors are beyond the reach of gratitude now. But others, who can be helped as we once were helped, are coming on.

It is not only decent; it is severely practical for business men to have this sympathetic attitude. For unless generosity is the rule, and not the exception, the growth of the welfare state is as certain as the coming of night. Our creed—political as well as religious—is that men deserve consideration because they are men. So it is merely a question of who will provide that consideration to others. Will it be provided by individual initiative, or by the state?

That depends on how many have the initiative to regard business as something more than a coldly commercial operation. And surely a period when material earnings decline is one when personal goodwill should be augmented.

The system of "free enterprise," to which we pay so much lip service, is not merely a technique of merchandising. Of course, it is true that the free market makes it easier to buy and sell than any planned economy that bureaucracy can possibly devise. It is also true that the price mechanism, responsive to the law of supply and demand, puts an accurate market valuation on wares of every sort, from the homely potato at one end of the scale to the esoteric etching at the other.

But life is not restricted to commodities and there are values which cannot be recorded in a business ledger. The dreams and aspirations and ideals of youth are not on sale as such in any commodity exchange. They cannot be located in the index of the Bureau of Labor Statistics. That does

not mean that these intangibles are worthless to mankind.

Hope—especially the hope of youth—has value for humanity. Therefore, somebody must help to provide the realization of those reasonable expectations that keep us all going. This provision can be made by private enterprise, or by the state. But if we fail privately, in extending a helping hand to our youth, let none condemn the state for moving in where we have personally demonstrated a lack of goodwill.



One hears the argument, frequently, that people are no longer responsive to individual generosity, that they expect advantages as a natural right, and will get these advantages from political government if they are not otherwise provided.

The weak point in this argument is that it comes habitually from men who, literally, "pride themselves" on being generous. There should be no pride in acts of charity of any kind. They should be commonplace. "It is more blessed to give than to receive." Logically, therefore, a certain resentment toward giving that is exceptional, or arrogant, or pretentious, may be expected.

Youth in particular, today as always, responds generously to generosity. That is a part of the natural honesty of young people, thoughtless though they may be. And another part of this fundamental honesty is to confront, without cringing, the difficulties of circumstance. If it is true that our young people have been taught to expect too much, it is equally true that they will face—perhaps more bravely and sacrificially than their parents—the problems and perplexities of a "recession." Neither false counsel nor cold conditions can rob youth of its marvelous elasticity. Only the desiccation of the years does that.

Americans nowadays are doing a great deal in the field of what is vaguely called "human relations." We give attention to problems of international relations; industrial relations, inter-racial relations and sex relations. But one big and important area of relationship remains relatively unexplored. It is that which connects the thinking of the older and the younger generations, something always important, but never more so than now, when the passage of a single generation has seen such tremendous change.

The present recession will bring every business man plenty of problems of a trying kind. But to be tried is also to be tested. If the testing leads to a better understanding between fathers and sons, and more generosity from fortunate fathers towards the sons of those who have been less fortunate, this recession will have the virtue of every other recess. It will bring not depression, but refreshment.

—FELIX MORLEY

The Month's Business Highlights

NEEDED for more aggressive selling and for more imagination in merchandising is being emphasized in various quarters. It was stressed when more than 2,000 sales executives met recently in Chicago. It has been strongly advocated at publishers' meetings. The chairman of the Federal Reserve thinks the situation is crying out for more enterprise in the field of distribution. Younger salesmen have had no previous experience in a buyers' market. The older ones are out of practice.

In warfare a large proportion of the soldier's time is devoted to preparation for the small part spent in actual combat. Salesmen, it is argued, should spend most of their time becoming familiar with their products and with the problems and needs of their prospects. The military analogy is carried further by suggesting careful analysis by executives of each salesman's experience. Military commanders study every detail of combat operations to take advantage of all knowledge gained. Similar supervision of sales operations is advocated. In the present situation the maximum possible number of consumers must be kept in the market because collectively they are much more important than are other sources of demand.

Purchasing policies rapidly are resuming their prewar character. Inventories are allowed to decline with chief reliance placed on hand-to-mouth buying. More contracts include escalator clauses. Manufacturers are offering inducements to those who promise to sell at more attractive prices. The idea is gaining ground that price adjustments should be made in one large move in an effort to remove uncertainty as to future price reductions. Backlogs of orders are disappearing, but business is slowing down in a more orderly way than many expected, despite the recurring jitters to which speculators are subject.

Recent analyses of department store sales show that changes in dollar values are much more drastic than changes in physical volume. Instances are cited to show that the decline in physical volume of sales has been less than half of the percentage decline in dollar value. Most statistics are expressed in dollars rather than physical units because of difficulties of converting dollars into volume. In some instances, at least, declines in dollar sales have resulted in no loss of



volume. The fact that physical volume of trade holds up better than dollar volume means that orders are not reduced to the extent that the dollar figures would indicate. Also, employment in stores is not reduced in proportion to the decline in the value of goods sold. On a basis of physical volume 1946 was a better year than either 1947 or 1948.

If high level employment is to be maintained in this country and the world brought to a more prosperous level, further steps must be taken to put foreign exchange rates on a more realistic basis.

Most exchange rates outside the United States are too high when related to the buying power of the local currencies. If, for instance, the British pound is officially pegged at \$4, an automobile in England might cost 1,000 British pounds or 4,000 American dollars. This relationship can be maintained at home by price fixing. But, if the auto enters the world market, nationals of other countries may feel that the price is too high and refuse to buy. Exports will fall off and unemployment result in Britain. If the price of the pound fell, the car might sell and more jobs be created.

The fact that raw materials must be bought abroad complicates the situation even more.

So long as the principal concern of countries was to have the means of buying as much American goods as possible, the existing rates could persist, though not without various anomalies such as black markets. Now, however, the emphasis has shifted to ability to sell, rather than to buy, abroad. Readjustments will have to follow. With all the existing restrictions on prices and on exchange transactions it is impossible to determine reasonable rates. The world has moved far away from the ideals of Bretton Woods which contemplated free movement of goods and funds and the convertibility of all currencies into each other at known and fixed rates.

It is for these reasons that a subcommission of the United Nations has recommended a new top-level conference to review the situation and to consider possible changes in the charters of the Monetary Fund and the International Bank. The subcommission particularly emphasized the desirability of using the International Bank in such a way as to counteract inflation and deflation. That means authority to lend more freely at a

time and in places where business is declining and to lend more restrictively where and when there is a boom.

That some way to act jointly in these matters is imperative permits of little doubt. Otherwise each country will have to paddle its own canoe with little hope for the restoration of healthy international trade.

Federal Reserve Chairman Thomas B. McCabe, in his testimony before the Senate Banking and Currency Committee and in other statements, has made it clear that policies affecting money and credit will be flexible. With that most legislators agree but some members of the committee were not convinced that the Board deserves all of the credit it claims. They think inflation should have been checked earlier.

None disputes that Chairman McCabe has improved the Board's public relations. In that respect, the Federal Reserve has suffered in the past. Public relations in that agency, however, is secondary to the need for courage in adopting policies that happen to be politically unpopular.

By way of explanation for the policy of holding up the price of government bonds, even when inflation threatened to get out of hand, a Federal Reserve source says that in the very nature of things it could not pursue a policy that would prove embarrassing to the Government that created it. The resulting rise in interest rates would have increased the cost of carrying the national debt. It also was necessary to consider the effects such a policy would have had on financial institutions. Out of the \$252,000,000,000 of interest-bearing national debt, \$63,000,000,000 was held by commercial banks. A drastic deflationary policy of selling government securities would have driven down the value of bonds while depriving banks of reserves. Banks would have had to face staggering losses had they been forced to sell government securities on a falling market.

Impatience with cumbersome government processes frequently is voiced but the merits of our system of checks and balances have been demonstrated strikingly this year. They have prevented hasty and ill-conceived legislation which would have discouraged business. Had quick action been possible there might have been a heavy increase in taxes at a time when it would have accelerated the decline in business. Further impetus might have been given the downswing by labor legislation and by undertaking social projects which would have put new burdens on the economy. The Federal Reserve, which sees in the recession a "necessary corrective period," is using its powers in an effort to make the transition a gradual one. It is recognized that were the downturn to gather too much momentum it would be hard to stop it. Expectation at the Federal Re-

serve is that the bottom of the present movement will be reached before the end of the year when it is hoped business can be stabilized.

Developments abroad have a direct effect on business in this country. Despite the by-plays being made by Russians for home and satellite consumption, the State Department feels that the outlook is more hopeful than at any time since the war. Conditions are clearly more favorable for peace. A hopeful sign is the fact that Andrei Gromyko, who seems to have appraised American aims accurately, has the ear of Stalin and is becoming a powerful figure in the Soviet setup.

While Russia is not expected to yield much, lifting of the blockade of Berlin was a momentous development. While it is not regarded as having settled the problem of war or peace, it does reduce the danger of an incident which might start hostilities. The cold war is not over but the Soviet Union gradually is being forced to make concessions in Europe. The situation continues to demand, however, that the United States remain strong and vigilant. Fortunately for us industrial strength means military might.

A Federal Reserve study indicates that the increase in steel-making capacity "may be more than ample protection against the recurrence of a steel shortage in the visible future." By the end of 1949 the steel industry will be in a position to produce nine per cent more steel than the highest output in the peak postwar year, 1948. During the war capacity was built up to 95,500,000 tons. This was reduced to 91,000,000 tons after the war due to worn-out facilities. That setback now has been more than recovered.

Availability throughout New England of vacant textile plants is one reason why that section, in a period of high construction costs, has been able to attract more than 2,000 new manufacturing enterprises since the end of the war. In the same period 1,000 manufacturing enterprises ceased operations in New England leaving a net gain of 1,000. New England is benefiting at the expense of states where the militant attitude of labor leaders, high rents and traffic congestion are handicaps.

Increased productivity of workers and greater availability of materials are reasons ascribed by the Associated General Contractors for a decline of from five to ten per cent in the bids for highway construction, for earth-moving projects and in the extension of electric power distribution. Any sizable job now attracts a number of bidders, quite in contrast with the long preceding period when competitive bids were unobtainable.

The change of attitude on anti-inflation measures by the Council of Economic Advisers was about six months late but that probably is a good record for a council. —PAUL WOOTON

Washington Scenes

RELASE from nervous tension, that's what Washington needs right now. Congress wants to go home as soon as possible—especially the greatest deliberative body in the world—the Senate. The senators have to finish their deliberating in the old Supreme Court chamber, which is also under The Dome, while their own chamber is being renovated. Anybody cooped up in that old museum these humid days would fret.

But it's the Big Issue more than the humidity that is bothering the members. Will it be boom, bust or level-off? Congress has brooded over the state of the economy throughout the session. Would prices continue to slide? Would it be just "disinflation" or a recession?

In this situation of doubt the legislators have been rather stand-offish, to put it mildly, about President Truman's proposed \$4,000,000,000 tax hike. They want to go home and see what the second half of 1949 will bring. A lot of them who haven't already turned thumbs down also want to find out how the folks feel about some of the new propositions of the Fair Deal: national health insurance and the farm production subsidy program, for instance.

This problem of economy and *the* economy is the big question this summer, however. Many members of Congress, Democrats as well as Republicans, wanted governmental economy but couldn't agree on how to achieve it. All the economy schemes that have originated on Capitol Hill thus far have one thing in common: they pass the buck to President Truman.

Any way you look at it, economy isn't the kind of issue that kindles verve in a congressman. It has put Washington into a rather somber mood. Last year it was different. Remember?

Politics was in the air, those fateful days of June and July, 1948, and there is zest in politics. Congress was so eager to adjourn to Philadelphia. After 16 years the Republicans were going to elect the next President. Zest wasn't quite the word for the Democrats. Still, they had a rendezvous in Philly, too. They were thinking that maybe they could find a dream candidate.

Congress was still in session when Sen. Robert A. Taft ran up to the Union League Club in New York on June 11 to make a speech. He was still a presidential possibility. He said Congress ought to go home until the new President took over.



He argued that it was no use trying to work with a man like Truman.

Nine days later the Eightieth Congress wound up its session after dawn and a lot of the Republicans got on the convention train without a wink of sleep. President Truman was aboard a train, too. He was making his non-

political trip, telling the people that the Eightieth Congress was the worst in history.

Well, the tempo on Capitol Hill now is about as pushy as it was then. This time the legislators aren't going anywhere in particular, except home. When they go, most of the social and welfare plans of the Fair Deal will be left untouched. Mr. Truman seems about to get only a fairly orthodox performance out of the first session of the Eighty-first Congress.

Is Mr. Truman going to do anything about it? Will he appeal to the people, as he has strongly suggested he might do? He as well as his Big Four in Congress—Barkley and Lucas, Rayburn and McCormack—are under terrific pressure to make good on many campaign promises.

Eventually Mr. Truman will do something, no doubt. It's a safe bet, however, that he won't say the Eighty-first Congress is a nasty Tweedledee to the Eightieth Tweedledum. The tactics of 1949 obviously will be different from those of the campaign year. For one thing, this is the Congress he asked for. Certainly nobody expects him to tour Dixie to denounce the particular brand of Democrats they produce down there.

The President has been as nice as can be to the new Congress, despite the rebuffs it has handed him. Some may argue that this attitude hasn't got his program very far. But Mr. Truman may be counting on getting much more in the second session next winter. In that case he can go right on being nice to the Eighty-first right up to next summer. He might not jilt it at all while it remains under Democratic management.

Some Democratic leaders in Congress just don't want to tackle important social and welfare legislation until the next session. Next year will be a congressional election year and they will want fresh achievements and issues. If they succeed in enacting a few of the important measures of the Democratic platform by next summer that will be time enough for President Truman. He has pressed hard for action in the present session, but he has also pointedly remarked that he will

be in office for four years to work for his program.

From time to time Mr. Truman has tantalized newsmen by saying he would let them know when to pack their bags for another rendezvous with the voters. So far there is no sign that the *Ferdinand Magellan*, his private railroad car, is being readied for a trip—at least not for a speaking tour. Such a trip this year would appear to be tactically wrong.

What Mr. Truman is likely to do is to take a fairly long tour, for vacation only. If events don't interfere, he may leave Washington soon after Congress does. He canceled speaking dates in April and May and has declined others more recently to be in close touch with his congressional leaders. Now he will probably leave the capital for a fairly long spell and any politicking he may do is likely to be only incidental.

It is not unlikely, however, that Mr. Truman might make a few political sallies in the fall to help out local Democratic candidates. Those who know him believe that he will not attempt any purges of recalcitrant members of his own party in the Roosevelt manner. The voters will take care of them, he says.

The great forgotten issue of this first session of the Eighty-first Congress is the Administration's anti-inflation program embodied in the Spence bill. A lot of people believe it will be a thoroughly dead letter by the time the legislators return for their second session.

What, if anything, is going to take the place of this program, which was promulgated at the peak of inflation? More and more one hears that the White House is likely to adopt Sen. James E. Murray's proposed Economic Expansion Act. This is a sort of domestic Marshall plan designed to "provide economic stability and that steady growth and expansion required to maintain prosperity and avoid depression."

Probably no great noise will be made if the EEA is adopted. With the Spence bill shelved, the Administration could back it on general principles as a measure good for employment and for business. The report from Capitol Hill is that a good handful of Democratic senators eagerly asked to join as sponsors of the bill even before it was introduced.

Only six months ago the Administration proposed that it be given authority to impose price, rationing, and wage controls, and to allocate scarce materials. These measures were intended to combat inflation and the high cost of living. This bill now seems to be in the same pigeonhole as the tax-increase program.

Thus, in six months, with production and employment slackening, Senator Murray (and certain Administration officials) see a need for a pump-priming plan rather than a control plan.

Such a plan undoubtedly will have a wider appeal than the control measure. It would empower the President to make federal loans of \$1,000 a family to move unemployed workers to places where work was available. In a seeming contradiction, it would also provide for government money grants to localities stricken by unemployment. Members of Congress from these areas are among those most interested in these features.

Furthermore the bill would propose a "working partnership" between business and Government to stimulate production and plant expansion. This would be done by incentive loans or by the Government undertaking construction of plants.

Blueprints would be drawn and stocked for public works—federal, state and local—costing many billions of dollars for areas hit by a serious slump.

We already have on the books the Employment Act of 1946 whose objectives are "maximum employment, production and purchasing power." The new bill, at this writing, is conceived by its sponsors as an extension and an expansion of this 1946 law. No suggestion has yet appeared that the new bill could be an amendment of the old. Rather it proposes to create a new agency—a National Economic Cooperation Board which would include representatives of labor, industry and government.

This new board, Senator Murray proposed, would work with Mr. Truman's Council of Economic Advisers in determining what steps should be taken to keep the economy stabilized. The Council of Economic Advisers was created by the Employment Act of 1946 to do the very same thing and now, with the first impact of deflation, this additional three-element agency would be formed.

This plan in its present form is disliked in some Administration quarters because the new board might compete with or supersede the Economic Council. There is no assurance that Mr. Truman will care to give it his blessing when it is put up to him. Nevertheless it has some strong sponsorship. Charles Brannan, the Secretary of Agriculture, who presented Mr. Truman's original economic program to Congress, intends to study it.

The key to what the Administration may do—in fact the key to possibly important modifications of the Truman economic program—may appear later this month. Mr. Truman soon will receive his semiannual report from the economic advisers. It will certainly reflect the shift from inflation to disinflation that has occurred in the past six months. A big change may be shaping up. But we are unlikely to see any attempt to alter the present course of Administration economic policy until after Labor Day.

—ANTHONY H. LEVIERO

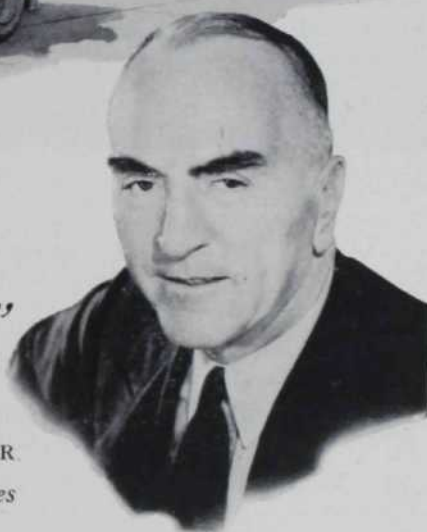
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MAN IN CAP: Something wrong, Mr. Willard?



MAN IN HAT: Nothing we can help. It's just that I'm on my way over to see Tom's family.



We're sure going to miss Tom around here. He was a great guy.



Certainly was, Ed. He'd worked here 26 years, you know. But somehow, working with him so long just makes it harder to talk with his wife.



Having Tom's insurance check with you ought to make the job some easier.



That \$3000 check is the only good thing about it. I'm glad we started our Employee Insurance Plan soon enough to help Tom's family.



If I know anything about Tom's family, \$3000 will sure come in handy. Maybe that boy of his will be able to finish college after all. Tom always worried about that. You know, Mr. Willard, the men who work here all think there's nothing like this insurance plan of ours.



I'm pretty proud of it, too. But if our Travelers man hadn't shown us how a small company like ours could get this Employee Plan of Life Insurance, Tom's widow wouldn't be getting this check. Till then, I thought only



a big outfit could afford to carry this kind of insurance. Our plan costs us only about \$415 a year. But it insures you and all the rest of our 12 people for \$3000 each.



I don't know much about the money end of the business, Mr. Willard, but having that insurance makes a lot of difference in the way a fellow feels about his job.

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Grain, corn, hogs? We've got them all to the point of concern

Uncle Sam's Indigestion

By JULIUS and EDITH HIRSCH

AFTER 15 years of solutions our farm problem threatens the worst trouble yet

UNCLE SAM has a real case of indigestion and an unexpected one at that. Wondering only yesterday whether his food exports would be large enough to relieve the world from hunger and mass starvation, he suddenly finds that his farm production is too large. He does not know what to do with all the food and cotton that is being harvested, nor does he know how to slow down future surplus production.

He looks at his large stock of wheat, corn and cotton and wonders how much more will swamp him next year. Adapting our enormously expanded farm production to our lower peacetime needs is his central problem as far as the farmers are concerned. But he finds it a heavy task to make the farmers understand that their wartime rate of production must be cut down. So he ponders whether he cannot work out some device to maintain farm income without putting too heavy a burden on the rest of the community.

To a degree, the situation is analogous to that after World War I. Both times farmers were asked to raise their production to meet the increased demand at home and from our Allies. Each time they responded, only to find a few years after the fighting ended that their



Food abundance after World War I led to bankruptcies



Millions of bushels of wheat are slated for federal control

increased efforts were no longer needed. But there is one great difference today:

In 1921, farm prices broke disastrously. This time they have been keeping up well. Although below the postwar peak, farm cash income in the first four months of 1949 was still running at the extremely high rate of \$30,000,000,000 a year, only four per cent below the record income of the same period last year. Three years after World War I, the abundance of farm production had made food cheap and the farmer bankrupt.

In contrast to the present price levels, we find that, between June, 1920, and December, 1921, wheat prices fell from \$2.58 per bushel to 92 cents; corn dropped from \$1.85 to 41 cents; while hogs, between 1919 and 1921, fell from \$19 to \$6.50 per cwt. In 15 wheat and corn producing states, 8½ per cent of the farmers lost their farms. In New York State, 17 per cent of all farm houses were deserted.

The disastrous slump of farm prices in 1921 would have been repeated in the second half of 1948 and 1949, except that Uncle Sam had stepped into the picture. The Government, in asking the farmers to expand production during the war, had guaranteed high prices for the immediate postwar years

and then had extended its guarantee.

Others besides the farmer benefited from the Government's intervention in farm prices. A serious slump in farm income would almost necessarily have meant a severe depression in business and a rapid increase in unemployment.

But maintaining farmers' income is expensive. In this fiscal year, the cost of direct farm support will equal the total of all government expenditure for a year in the Coolidge Administration.

Meanwhile, the public is contributing a larger share of its income than ever before to pay the food bill. Even more serious, if the program is continued, the mountains of grain and cotton which have accumulated in the past few years will increase rapidly. Next winter our warehouses will be brimming over with pork, lard and eggs. Production will be aimed at the Government instead of at the market, because, given a sufficient price incentive, our farmers will inevitably produce much more than this country can either consume or export.

During the war, our food production increased by 35 per cent. Our wheat crop, which had averaged 850,000,000 bushels before the war, was 1,280,000,000 bushels last year and will be more than 1,300,000,000 bushels this year. *That is twice as much as we can consume.*

Our corn crop, which used to average 2,500,000,000 bushels before the war, rose last year to 3,650,000,000 bushels, foreshadowing the production of more hogs than we can possibly consume.

Although the average American ate 386 eggs last year the Government still had to spend millions to take eggs out of the market. The citrus industry has grown, and the export subsidies which this industry received were disagreeably affecting the ECA's aim of increasing exports from the Mediterranean countries.

Increased productivity has become as powerful a force in the agricultural sector as in industry. When the war broke out, agriculture had such a large unused reserve of technology and labor that it could increase production with lightning speed. We now have 3,000,000 tractors on our farms and countless new farm machines, which not only speed up the work and replace labor, but also make the crops less dependent on the weather. Synthetic fertilizers, improved soil conservation, better farm management and research on plant and animal breeding



The miracle of productivity has become a threat to the nation



The price-support plan costs us more than \$2,500,000,000



Brannan sees greater security, higher income for the farmers



There is the usual answer as to who'll pay—the taxpayer

have worked additional miracles.

The result has been sensational. Last year's yield per acre was 51 per cent higher than the average of the pre-drought years 1923-32, while the number of acres in cultivation has remained about the same. Milk yield per cow has increased by 15 per cent since the prewar years, and the number of eggs per laying hen has gone up one-third.

Now this miracle of productivity has become a threat. Our increased population, with its higher income, is drinking more milk and eating more meat, eggs, chickens, turkeys, cheese, lard, vegetables and citrus fruits than ever before. We are exporting 500,000,000 bushels of wheat this year, 40 per cent of the total crop and ten times as much as in the '30's.

Yet, between July 1, 1948, and the end of February, 1949, the Government has been forced to acquire in net loans and outright purchases 28.5 per cent of the cotton crop, 18.7 per cent of the wheat crop, 44 per cent of the peanut crop and 26.2 per cent of the potato crop.

This does not include purchase agreements with the farmer for possible future delivery. Through March 31, 1949, the Government's outlay and obligations for price support totaled more than \$2,500,000,000.

At the beginning of the new crop year in July, the Government will hold almost 300,000,000 bushels of wheat, at least 400,000,000 bushels of corn, more than 4,000,000 bales of cotton and enough linseed oil for a year's domestic consumption. In addition it will have a diversified larder of commodities such as potatoes, tobacco, dried eggs, butter and dried skim milk.

By July 1, 1950, government stocks will be still higher, since the farmers have increased this year's acreages of wheat and cotton. So far, it looks as if another 250,000,000 to 300,000,000 bushels of wheat and another 3,000,000 to 4,000,000 bales of cotton will be dumped into the Government's lap.

The stark facts of increased farm productivity, as witnessed by the costs of the support program, are a drastic comment on the predictions of the prophets of gloom who have been telling us since the war ended that in the not too distant future we will have to lower our national food standards.

But Secretary of Agriculture Charles Brannan, in a radio discussion with the authors on April 27, said there are no real surpluses. In that statement is the credo of his

(Continued on page 72)

Odyssey of a Researcher

By VERGIL D. REED

LEAN or fat sales in world marts mean poor or good times for most of us. Here's a picture of British, Arabian, Indian and Australian life



Mr. and Mrs. Reed

MY QUEST was for facts, impressions, outlooks and trends in the world's markets. My sources of information were business, government and professional leaders, and all that the four eyes and four ears of an inquisitive marketing research man and his business-trained wife could absorb. That quest led us, by air, around the world to four continents and six islands, over a course of 32,000 miles.

Since these random notes deal with markets, people—how and where they live, make their living, their hopes and fears, wealth and poverty—are our background. Since markets are of little value unless we reach them effectively, vignettes of distribution, advertising differences and problems intrude themselves. Capital, labor, power, government, dollar shortages, and even communism, although always with us, must be relegated to the borders of our sketches, which follow in the order covered on our journey.

Great Britain doggedly pursues her program of Joy-Through-Misery with at least two years of lessening misery ahead before the joy comes much into view. But there is no danger of the British saying, "To hell with it all," and throwing in the economic sponge. Britons are tired but not licked, and Britain will probably continue to be our second-best customer, surpassed only by Canada. She was first much of the time before the war and was fifth among the nations selling us. For some years yet, raw materials, food, and industrial equipment probably will continue to make up three quarters of her imports. During those years she will be a relatively poor market for most manufactured consumer goods.

Thousands of tons of war munitions are still

Cotton Exports
—help our rations

One dress length so
abroad bring
us all these



ARABIA: native workers in the oil fields, children and Americans brought out to the Middle East are faring best as a result of the sudden riches



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regard as necessities or comforts. This discourages the promotion of many British manufactured products which would sell well here—and if we want to sell more to Britain over the long run, we must buy more from her.

Second, we have heard so much about food and other shortages in Britain and Europe that many Americans who would like to travel there do not go for fear of depriving the people of food. That's faulty reasoning. Your dollars spent there will make available almost 100 times as much food as you consume, and you will be most welcome, with more food available in your hotel than family rations allow to citizens.

British distribution channels differ from ours more in degree than in kind. Cooperative wholesaling and retailing are far more important, and chain stores much less so. Some of the cooperatives are large-scale manufacturers as well as distributors. To conserve manpower, avoid queues, and decrease distribution costs, the Government is encouraging self-service retailing, and it can be expected to spread rapidly. Retail margins are limited by law. Until recently, practically no materials were available either to modernize old stores or build new ones. Most retailers are short of goods and profits are lean. Retailers are being squeezed between the consumer and the Government. Although some of this is a healthy urge to reduce operating costs, it is being carried so far that it may discourage long-range improvement for want of motivation.

Advertisers in Britain use all of



ACME

the media we have with two exceptions. There is no commercial radio broadcasting within the country since radio is a government monopoly, although some advertisers are doing commercial broadcasting to Britain from Radio Luxembourg on the continent. This and other continental stations offer the only commercial broadcasting possibilities. The other exception, of course, is television. This also is government-owned and is negligible.

Outdoor advertising facilities are considerable but poster locations are not so carefully chosen as in the United States, and there is little auditing of traffic and coverage.

IN Damascus, Syria, one finds sharp contrasts between West and East. Red fezzes, baggy Moslem breeches, and Bedouin huts seem out of keeping with the many American automobiles, a surprising proportion of them new. On the grilles or front bumpers of each is a string of blue beads to ward off the "evil eye." Retailing is done mostly in tiny shops and bazaars, where price is the outcome of haggling between buyer and seller. Factories are tiny workshops. The

piled along the roads—cruel evidence of the labor, capital and materials which, made into the goods of peace, would have raised Britain's living standards so greatly. These ill-afforded wastes and the destruction of war are not the only reasons for the disparity between living standards of the average Briton and American. Our superior industrial equipment gives us a great advantage in output per man-hour. Our production and marketing methods, too, have improved more rapidly.

The need for increased exports to pay for her imports causes consumption, even of necessities, to be cut to the bone. Both heavy purchase taxes and outright "prohibition" in the form of high allocations for export keep down purchases. In the case of automobiles, 92 per cent of those produced are allocated for export and the purchase tax on domestic and foreign cars is set at 66½ per cent. The most desired items in the store windows carry a sign, "For Export Only."

This Spartan atmosphere is having two unfortunate psychological effects concerning America. The British exporter tends to underestimate the purchasing power of the American market for classes of goods which he has come to think of as luxuries, but which we

wooden plows, sickles, threshing flails, and winnowing pans of past centuries are still common. There is no middle class, the backbone of mass markets, but only the rich few and the poverty-stricken many.

From here through Iraq, Iran and Arabia, petroleum is bringing sudden riches, but as yet only in spots. Each of these countries has from one to many development plans but none has gone far and each brings new problems, too, because changing a country's economy overnight looks easier on paper than on the site.

Where capital is scarce, and it certainly is here, it must be put to work to produce the maximum of essential goods and services in the minimum time, and at the lowest prices possible. This requires liquid capital and fast turnover. Building dams, generating plants, roads, irrigation systems, and other big basic installations in backward countries withdraws large numbers of the most productive workers from the land and workshops more rapidly than the productivity of the remaining ones can be increased. The money supply goes up

while the production of necessities goes down. The result is rapid inflation and at least temporarily increased poverty with all its political and social dangers, particularly with a population already on a bare survival economy.

IN Arabia and Iran two large oil companies, the one American, the other British, employ more than 75,000 natives. These companies provide water, houses, schools, hospitals, theaters, clubs, playgrounds, places of worship and other facilities for both native and imported employees.

The activities of these oil companies are having a wholesome tendency to create a new native middle class of wholesalers, retailers, contractors, service establishments ranging from bus lines to barbers, small manufacturers, and trained native technicians.

A goodly portion of government income from oil in all four countries is going into public works, and for at least three of the four governments, revenue comes mainly from oil and customs.

The village is still the basic social institution of three quarters of the population of these areas and, except for oil, about 95 per cent of their exports are agricultural. Illiteracy is widespread but education in hygiene, sanitation, disease con-

trol, food preservation and self-government are as important as the "three R's" if decent standards of living are to be attained.

KARACHI is a welcome and colorful sight, the nerve center of that newborn but largest of Moslem nations, Pakistan, smaller twin to Hindu India. Both were born Aug. 14, 1947. Smaller than Texas, Pakistan has a population of 70,000,000 and her economy is so completely complementary to that of India that their separation is an economic tragedy for which reason dictates a minimum remedy of customs union in the near future. The hope of political reunion seems nonexistent in the near future.

The appalling waste of human life and labor, so typical of the Orient, casts its tragic shadow here. A "boy" (any male servant regardless of age) sweeps the great hall on his knees with a hand brush. Another stands at the door of the washroom. Still another is cleaning inside. Outside a boy is sweeping the street with a hand brush. Often ten people wait on one. If you do anything for yourself, you're depriving poor people of a living—from their standpoint.

INDIA is a beggar sitting on a bag of gold—and a keg of dynamite. She has the natural resources, the labor force, and much of the capital needed to develop a high

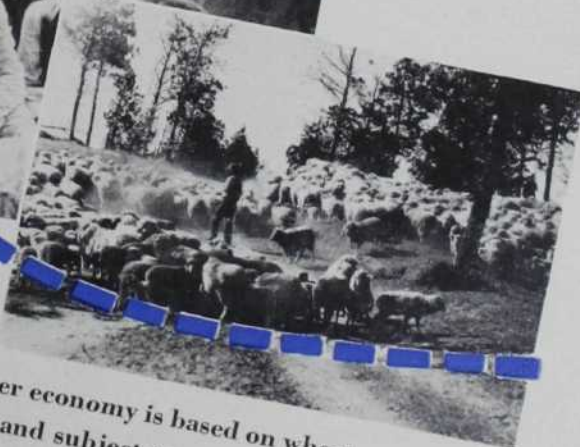
(Continued on page 66)



WIDE WORLD PHOTO



INTERNATIONAL NEWS PHOTO



ACHE

INDIA: The teeming country has been likened to a beggar sitting on a bag of gold and a keg of dynamite. Nehru is seen as his nation's big hope

AUSTRALIA: Her economy is based on wheat, sheep and cattle and subject to violent shocks

One Jump Ahead

By ROBERT WEST HOWARD

THE SEA is old but modern methods can keep its products up to date



THE PHONE rang again, imperiously, in the Saturday afternoon quiet of the Producers' Fish Company office. Ed Crowell picked it off the cradle, pushed the pile of income tax forms back across his desk, and swung his chair around so that he could stare out the window down the icy blue neck of Gloucester harbor.

"Thought it'd be you," he said, casually. "What's the weather like out there? . . . Hmmm. Clear and calm here. Rosies were holding firm on this morning's market. Cod's up two cents. . . . Good enough. Follow 'em through. We'll see you Tuesday or Wednesday."

Six hundred miles east of us off the Newfoundland coast, I could hear the radio-phone of the "Benjamin C." click off. Crowell laid his own phone back in the cradle and sighed. "Great business," he said. "Nothing like having your production department halfway to Europe." He swung back toward the window to stare at the egg-nog wake of a 100 ton dragger passing the Reef of Norman's Woe. "Some day, old girl," he mused, in collective address to the whole Atlantic Ocean, "we're gonna put your house in order. And I don't think it'll be too long from now, either."

Up harbor, beneath the gray clock tower of City Hall, the Saturday shopping crowds wandered aimlessly . . . a northland festival of red and black mackinaws, peaked caps, sheepskin jackets and bright woolens. Main Street was bedecked with pastel banners announcing spring sales. Wool shirts for \$3. Sea boots at \$2.98. Rugs at \$6 a yard. The paper pennons flapped in the breeze. The crowds chatted and window-shopped, then, inevitably, sauntered east toward the waterfront to stare out, beyond the ship masts, to the blue and green wilderness they, as Gloucester men, have been harvesting for three centuries now.

Last year was the richest in Gloucester's history. Back from the ocean wilderness, the little city's 250 vessels brought 251,000,000 pounds of fish. In the loft offices above the stores, lawyers and accountants worked, as Ed Crowell worked, to finish tax reports on the more than \$11,000,000 catch taken during 1948. Two new quick-freeze plants were building across the harbor. Two thirds of the 6,000 homes hugging the gray cliffs here at the tip of Cape Ann were owned by the families who lived in them. North, along the winding roads to Squam and Rockport, the G.I.'s were building new clusters of bungalows and tight, little salt-box cottages. The banks bulged with \$32,000,000 in deposits. In all America this spring of 1949, no city could outdo the sense of well-being and shipshape sufficiency that hung, like a cherry-colored cloud, above Gloucester, Mass.

Yet, in leisure as in business, people stared toward

of the Fish

FOR 300 years Gloucester men,
father and son, have been seamen



the sea. Out beyond the gray factories of The Fort and the reef lay the great watery forests and teeming marine life of the North Atlantic. In their struggles to wrest a living from it, Gloucester men had given the world the first ocean schooner, the first flaked fish, the first "isinglass" glue, the first yellow slickers, golden oil-meals, and quick-freeze chests . . . contributions that have influenced the daily life of all America, from barnyard to manufacturing plant.

In return, since 1623, the Atlantic has claimed more than 8,000 of the city's sons . . . a terrifying list of lost men and ships, from the Virginia Capes to Iceland; since 1830, more than 950 vessels and 4,500 men. Through it all, the names of those who carried on . . . White, Robinson and Rogers; Gorton, LePage and Phillips; Carroll, Birdseye and Curcru. The list is endless, for the reason that human courage and ingenuity are endless. A pioneer is a doer with a core of hard rubber.

And now, this year, another frontier was forming . . . the greatest perhaps that Gloucester has ever known. The news was just in from Washington. The crowds stared wonderingly at the sea. On Feb. 24, at the State Department, 11 nations signed the Convention for the Northwest Atlantic Fisheries. It meant the creation of an international commission to make a thorough survey of marine life living in the North Atlantic's waters. It meant, more than

that, creation of a program of ocean conservation, so that the life cycles and spawning places of cod and halibut, rosefish and mackerel will be as well known as a farmer's knowledge of his dairy herd's production. Somewhere out there during the next few years, a new pattern of international cooperation would be established, involving all the coastal nations from Italy around the great northern arc to the United States. It was a pattern that might, finally, turn Gloucester from a frontier pioneer to the hardy capital of a new type of sea-farming.

And this, looking back, is precisely what Gloucester men have been working toward since 1623. This was the theme of the long saga of merchants courageous in their struggle with the stark fact that "The fish don't change, but the industry does."

It began, of course, in 1623 when immigrants from Dorchester, England, settled on the north peninsula of Massachusetts Bay. They named their village for the old English port of Gloucester, on the Severn, and dubbed the natural stone face on the sea cliffs nearby "Mother Ann." That fall, Gloucester sent its first shipload of dried cod off to Bilbao, Spain. So the saga began.

And it carried on through the black years of the French and Indian wars. French ships came down from Quebec and Louisburg to bombard the town. Indians tricked the crews ashore with false signals

. . . and massacred them. Always, the sea lurked for the sudden leap of hurricane. In 1716 five fishing craft, comprising a tenth of the port's tonnage, were lost off Cape Sable. Fifty years later, to the month, another great storm foundered nine Gloucester ships and sent 40 men to their deaths.

Ten miles north, beside the prairie-like pastures of Essex, Gloucester men took their first new step against the sea in 1713. There Captain Andrew Robinson designed and built a new type of fishing vessel . . . a big, two-master with fore-and-aft sails. Tradition has it that the vessel skimmed down the ways like a great bird at her launching and that someone in the crowd, with a north country drawl, shouted, "Lookit her scoon. She's a scooner." The name held. Gloucester schooners formed the backbone of the privateer fleet that raided British shipping during the Revolution and the War of 1812.

With the schooner, carrying a crew of 23 men and loading ten dories, Gloucester wrested her living from the seemingly limitless supply of halibut and cod feeding off the New England coast. Out of this evolved customs that were to become the basis for new Gloucester industries. Fogs and spray made waterproof clothing an essential part of the fishermen's kit. Similarly, since dories blended quickly with ocean colors when fogs rolled in, fishermen learned to daub their outer clothing with linseed oil. It gave the material a bright yellow

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MEMORIAL services for the more than 8,000 who've been lost are an annual rite



I Sat Too MANY Out

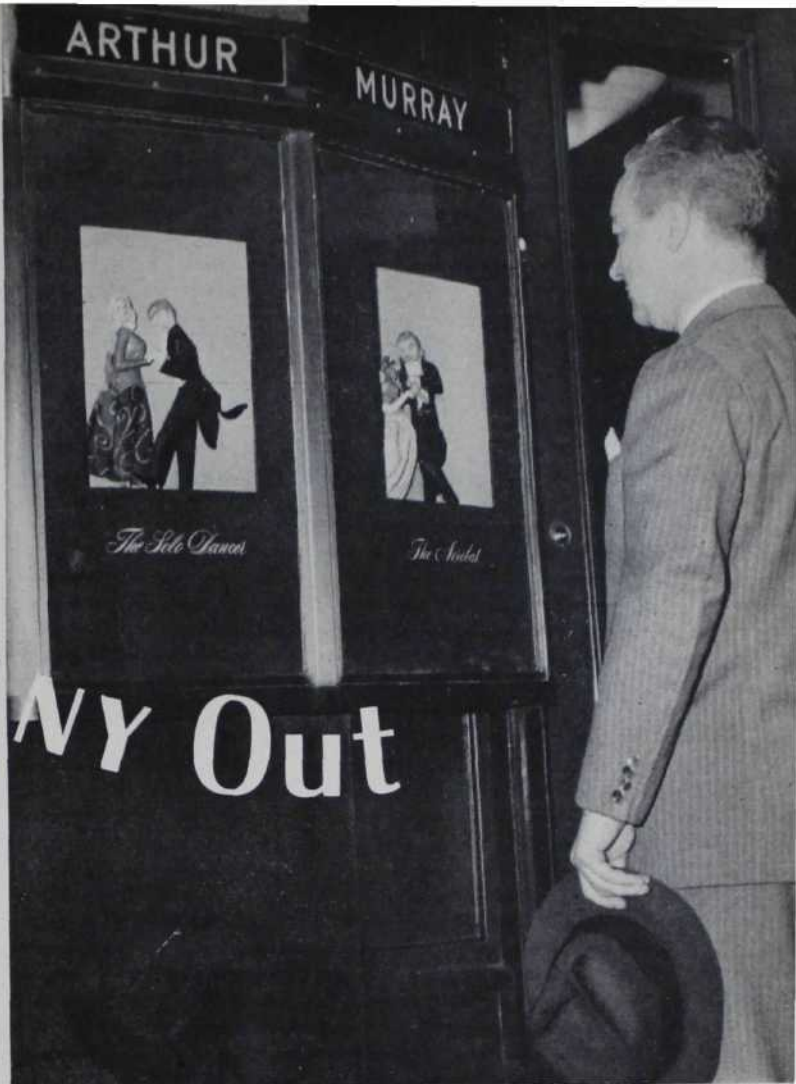
By JIM BISHOP

IT MAY have been after the second cocktail; perhaps the third. The bride had waltzed with the bridegroom and now the floor was full of dancers struggling, swaying and stomping to an assortment of facial expressions ranging from deep dyspepsia to shallow passion. Someone prodded me to ask my mother for a dance. It must have been after the third cocktail because I did. We were like straws in a slow vortex and we shuffled around the reception hall. I tried a box step and I remember thinking how much mother was getting on in years because she couldn't follow at all and she kept placing her tiny instep under my left foot.

When it was over I applauded politely and walked mother back to our table. I asked her how she enjoyed it. She shrugged. "I've loved you a good many years, son," she murmured, "so why should we start fighting now?"

That was my second attempt at dancing in 19 years. The other was when I was married in 1930, except that on that occasion I did it the hard way—wing collar and tails. Each attempt at dancing increased my resolve never to dance again. As I grew older and fatter, I became proud of my two left feet. Often I sat in lonely splendor while my wife underwent the enervating gyrations which man has set to music. I even worked up a delicate disdain for sissies who can dance. My pet speech was that dancing was nothing more than Freudian frustration in the first place.

You can add to this case history the fact that, as a writer, I have always been a sucker for the so-called "unique" assignment. When a certain editor, now deceased, wanted someone to do an exposé on conditions in a nudist colony, who do you think joined the barefoot boys and girls with cheek? That's right. And when an experimental flight was to be made in a new bomber, guess who volunteered to sweat it out in the sky? None other. When chicanery was suspected in New York's poorhouse, could a reporter be found who would live with the poor folks to find out? You bet your



PHOTOGRAPHS BY R. I. NESMITH

ARE YOU a dud at a dance and proud of it? The author was like that until he found out what fun he was missing





The deal looked like
child's play at first

life. So you can understand why, when NATION'S BUSINESS decided to introduce the business men of America to the waxed floor, the issue was never in doubt. It knew the man for the job.

When I began the assignment, I assumed that my wife and two daughters were accustomed to the old man going on any assignment. But when I said I was going to Arthur Murray's to learn to dance, the little girls giggled and said "Oh, Daddy!" in a tone of amusing disbelief and Mrs. B. sat down, leaned back and laughed until her skin became congested and she coughed.

"If they can teach you," she said, gasping, "they can teach anybody!" That, I said coldly, was the general idea. If Murray's Merry Maidens could get me to the point where, unaided, I could slap one foot down in front of the other with some respect for the cadence of music, they could teach anyone to become a rumba king overnight.

The word got around fast. The family doctor, who hasn't smiled since 1910, phoned to ask gaily: "How many lessons do you have to take before you realize it's futile?" A business friend was angry. "By God," he yelled, "a third world war is around the corner, the Administration is taxing us to death, medicine can't even cure the common cold and what the hell are you doing? Taking dancing lessons!"

The Murray studio at 11 East 43rd Street in New York is a big place with green canopy and blonde wood furniture. It is chi-chi and it swarms with busty babes en route to a lesson in a private room, or leaving one. For the benefit of the timid, a secret door is less than a block away from George's Bar at the Ritz.

The studio is on two floors and is composed of countless small mirrored rooms equipped with loudspeakers. I was turned over to Jean Ashmore, a tiny, black-haired doll who would fit snugly into a truck driver's palm. Like all other instructors, she is good-looking, neatly dressed, and manages to be warmly friendly without raising the client's temperature beyond 98.6. She had a big file folder with her and a

chart full of questions, graphs and spaces for remarks. This, I was told, would be my dance analysis.

Miss Ashmore brought an analyst with her; Miss Yorston, a tall brunette with huge, sorrowful eyes and long lashes. The loud-speaker in each room has buttons designed to bring in six types of music: fox trot, waltz, rumba, tango, samba and jitterbug. Miss Ashmore pressed the fox trot button.

It embarrassed me to put an arm around Miss Ashmore. It sounds ridiculous, but that's the way it was. I kept thinking: "She thinks I'm a gray-haired wolf." This caused me to wind up tighter than a dollar watch in an electrical storm and, when her right foot went back gracefully, my brogans remained nailed to the floor. As the music rapped out the rhythm Miss Ashmore tried to wheedle me into moving and Miss Yorston kept looking at me and making notes.

This, I said to myself, is a con game. They make it look ultrascientific when it is less difficult than golf, is child's play compared to the intricacies of baseball and isn't in the same league with the grace of a halfback busting through a broken field for 15 yards.

My feet started moving. I wasn't consulted. They started to move and I remembered what it was like to march in a parade and I kept time and Miss Yorston's eye bugged with disbelief as I backed Miss Ashmore across the floor and halfway up a wall. They asked me if I could do it again. I did. They asked me if I was sure I hadn't danced but twice and I said sure.

The music changed to rumba. I told the ladies to



Bishop's brogans seemed nailed
down when he started to dance



Soon it was fun and a challenge

forget it. But Miss Ashmore showed me that rumba is really my old-time box step broken into beats of three. I tried it and it was a cinch. In ten minutes I was violently out of control, rumbaing all over the place, and Miss Yorston summoned Joseph O'Brien, the manager, and a Mr. Moore, a supervisor. They watched and smiled and went away and told Miss Yorston privately that I was kidding—that I had danced before.

We tried a samba, which is a sort of fast rumba (same box step except now it's a shoe box) with back bends and forward bends, and we tried the waltz, in which the sideway of the body is as important as the steps. Then we experimented with a Lindy Hop that caused my sagging lungs to demand to know what the hell was going on upstairs. Miss Yorston took over and showed me how to lead a girl by hand pressure on her back and how my weight should be carried well forward.

The most astonishing thing to me was that if I permitted my feet to go free without too much direction, they did better than if I consciously ordered them around. When I left Murray's after one hour of experimentation, my calves hurt so much that I couldn't feel the pain in my back.

I evaded the questions at home and ignored the kidding. I told the family that it was more like work than fun. I didn't tell them that I had a fast look at the big analysis chart and that part of it read: "Rhythm, good. Balance, poor. Variety, none. Animation, excellent. No confidence. Leading, weak. Styling, no polish. Posture, good."

From that point on, I took a one-hour lesson each day for ten days, barring Sunday. The experiments were behind me and now I buckled down to try to learn something. We started with what Murray calls "The Magic Step." This is two steps forward, then feet together and left foot forward and to the side. We tried it for half an hour with all sorts of fox trot music. Sometimes the music was fairly fast and easy to follow, and then suddenly some crooner with a head cold would cut in and dream his way slowly through the second chorus. This seemed to throw me off, but Miss Yorston said it was good to learn under these conditions because if I ever took my wife out dancing, the orchestra crooners would do the same thing. It was in this second lesson that I had a change of heart about dancing. I now wanted to learn, not so much for future use as to prove that I could learn something new after 40.

The first startling truth to hit me was that, if you learn a dance step, you have not learned everything. What I mean to say is that if you learn to accelerate an automobile, you have not necessarily learned to drive, and the dance step is to dancing what acceleration is to driving. There were other items, rather important, too.

For instance, I must always dance counter-clockwise around a floor; if I get caught in a corner there is a sort of rocking step which will get me out; I must learn to signal a new direction with my shoulder before my feet execute it, otherwise the girl will need radar and a crystal ball to guess my line of flight. I must hold the girl's right hand in my left, not too tightly and no higher than her chin. I must not endlessly repeat the original step or I risk boring the girl with monotony; there are variables, such as open breaks, flirtation walks, etc., to be used as a change of pace. I must always keep the girl directly in front of me, not slightly to the side, as I'd thought. I must look over her shoulder now and then to avoid impending collisions and, once in a while, glance backward to see if any jet jobs are

(Continued on page 62)

Bishop's last three hours were centered on the art of leading





THE OTHER GUY HOGS THE ROAD

By PHIL GUSTAFSON

"BOYS, they'll mob you if you ever go near that bridge," warned the desk sergeant. 'A big gang of those store people have been marching up and down the street all morning. The first thing they did was to tear out all your traffic barricades and heave them in the river. Better head back for Chicago right now or these guys'll toss you in after them.'

"This was the way we were tipped off—my two assistants and I—on the reception that was waiting for us when we got into town early Monday morning to start the city's new traffic program. At city hall we found that the mayor and the alderman in charge of traffic had quietly left town to sidestep the commotion."

The scene was a small industrial city in the midwest. The experience was that of George Barton, a consulting traffic engineer. He tells the story to illustrate the opposition to efforts to change the public's traffic habits.

"And believe it or not," he laughed, "all this fuss was kicked up over a new traffic pattern on the approaches to the only bridge that spanned the river dividing the city. So, morning and night it was jammed with cars of workers. Traffic lights at either end aggravated the jam. We shut off the lights and laid out a three-way traffic pattern with streamlined turns. Then we set up sawhorses on the streets at each end of the bridge to mark no-parking zones. Merchants along these streets tossed the sawhorses into the river.

"Declining police protection," Barton went on, "we called the merchants together. Some were fit to be tied. One was an Irishman with a voice that couldn't be silenced.

"'You experts with all your college degrees come down here talking fancy and almost make us forget what you're trying to do,' he



**ANY community can have good traffic. But
it's up to each person to sacrifice outworn
habits and personal conveniences to get it**

bellowed. 'You're trying to get us to go quietly on relief when you close our businesses with your highfalutin plan. You almost put us to sleep this time,' he yelled, waving his arms, 'but you didn't quite make it, that's all!'

"After a hot two hours, the merchants agreed to a 60 day compromise which prohibited parking at the bridge during rush hours. We tried out our plan that night. It worked like a charm! The cops, who'd gone crazy twice a day at the lights, just stepped aside and watched traffic flow past; drivers reported a ten-minute cut in running time. But, believe it or not, those merchants are still raising the city hall roof to get back all-day parking. In the end, though, I believe the 99 per cent of the people

who get a break from the plan will crack down hard on this stubborn minority."

Barton's experience is typical of the trials of the traffic engineer in the average American city.

"Sometimes," he sighs, "you wonder if people really want good traffic."

The traffic engineer works up a program that promises to help everybody in town, and brings it to public hearings. Up jumps the motorist and claims he's being driven off the street. Behind him is the merchant, who swears he's being driven out of business, and the taxpayer, who declares he's being driven to the poorhouse.

This opposition comes in the face of the fact that traffic congestion is strangling the business sections

in most of our larger cities—down-town property valuations are off 15 to 45 per cent—and driving the shopping crowds to the suburbs. Street congestion in New York, for example, is said to rob merchants of \$1,000,000 a day. Clearly it's time to do something about it, and many cities are. To date, 29 states and 75 cities have traffic bureaus and the Institute of Traffic Engineers lists between 400 and 500 qualified traffic engineers already at work.

Today, a good traffic engineer can survey most any city and come up with a workable plan that will lick its congestion problems. The plan usually consists of two phases.

Phase One is temporary. It consists of measures to make better use of the existing streets: increase the volume and speed of traffic. From an engineering standpoint, Phase One means immediate action.

Phase Two is creative: construction of express highways, wider and straighter streets, viaducts, parking terminals and the like. That takes time and money.

There are half a dozen ways of increasing from 30 to 50 per cent the volume a street can carry. But these involve changing people's

only catch is: people won't go along.

Says the traffic engineer of one big southwestern city:

"Last fall we practically stood on our heads trying to put the system in downtown. But a telephone and mail referendum gave us the answer: 'No!' Here are two typical replies:

"We haven't changed our hours in five years and are not in favor of doing so now."

"Our employees voted against the change, stating that they would rather put up with the inconvenience."

Since he can't stagger people's habits, what can the engineer try? To answer this question, I sat down with one engineer and went over a program designed to straighten out traffic in a typical U. S. city. The engineer was Leslie Williams, a consultant with 15 years' experience in 20 different cities.

"When a new engineer comes to town," Williams told me, "the first thing he does is try to streamline and tie together the existing traffic facilities. This is what I call the 'lines, signs and signals' stage."

"He puts big letters on the pavement to tell drivers what to do

long way to go first. Hardly is Stage One under way before complaints start burning up his line.

"One of the first beefs usually comes from the police," says Williams. "They don't have enough men to mark the streets. They don't have enough men to watch the corners. Sometimes you begin to wonder if the police themselves want good traffic. But soon you see you're wrong; give them the men and the money and they'll usually do a good job."

Early in the game, the new traffic engineer is reminded of another fact. Everyone wants new traffic rules; but everyone wants to be an exception. In Boston recently, one prominent citizen appeared before the traffic commission and pontificated as follows:

"Gentlemen, it amuses me to see how this body flounders around year after year trying to solve the problem created by promiscuous parking in the downtown area. May I suggest a simple panacea? Prohibit all passenger car parking. Of course, you'd have to permit chauffeur-driven cars to park in front of the better shops along Boylston and Tremont Streets."

One peeved Boston department store official once called up Philip Desmond, a traffic engineer, in a rage because he had received a ticket for parking near his store. Despite the two-hour parking limit, he'd left his own car at the curb from 8:20 to 11 a.m. When Desmond reminded him of the two-hour limit—mainly for his benefit—the man retorted:

"I've been parking all day long on that spot for 12 years and I don't intend to stop now."

"Well," drawled Desmond, "if you've had only one parking ticket in 12 years for using the street to garage your car, I call that pretty cheap parking, my friend."

Out of the traffic engineer's original job of coordinating streets, signs and signals, usually comes a system of through streets to get traffic moving faster in outlying areas. But if downtown streets are narrow, he usually doesn't rest until he gets in a network of one-way streets in the business district. Such streets reduce accidents, increase traffic volume as much as 50 per cent and allow better use of progressive signal systems that further speed things up.

But merchants get up in meeting and declare that these streets will ruin their business. Shuddering drivers tell how they'll have to spend most of their waking hours driving around the block. Transit

(Continued on page 68)



One man would ban all parking, except . . .

habits. That's what causes the rub.

Traffic engineers will tell you the congestion headache in most cities could be relieved, if not eliminated, by staggered business hours. This would level off the morning and afternoon traffic peaks that are causing most of the trouble. The

when they get to the corner; marks out clear-cut traffic lanes to guide them in turning and synchronizes traffic lights.

"In Stage Two, he eventually hopes to put in a system of through, one-way, and nonstop streets that will get traffic sailing. But he has a

The image shows a man in a suit standing in front of a large, complex flight schedule board. The board is titled "TRANSPORT SCHEDULE" and is divided into columns for "DATE", "MAIN", "DESTINATION", "NATIONALITY", "PER-SONS", "TIME", and "FROM". The man is looking at the board, which lists various flight routes including "VENEZUELA", "BRAZIL", "USA", and "FUNK CASERNE". The board also includes a section for "FROM" with destinations like "RIEM AIR BASE", "FUNK CASERNE", and "RIEM AIR STAT". The man is holding a small notebook or document in his left hand.

South America's Race for DP's

By STEVEN CASEY WILLIAMS

TO Latin America, Europe's displaced persons are not charity cases, rather the answer to the manpower problem

ONE evening recently in the dining room of a small house in Buenos Aires, Argentina, Alberto Resthergs looked pensively for a time at the people gathered round his supper table.

"It is good that we are here like this," he said finally. "Not very long ago we had nothing, not even hope. Now we have good health and we are together in this fine house and we are free. We have warm clothes and good food and much to look ahead to."

Resthergs also has a good job. He is foreman of the concrete gang at the Ezeiza Airport, which is being built just outside the city. A few weeks before, he had been a worker in the gang. But his supervisors had discovered that he was

a skilled craftsman and that the other men liked to work beside him; he inspired them. As foreman he had introduced new, better methods. . . .

Anita, wife of Alberto, sighed sharply. "Yes," she said, "we have a great deal to be thankful for. Life is good again."

Alberto and Anita and their children—Mirdza, the girl, 17; and the boys, Valdis, 15; and Vilnis, 11—bent to their supper. As they ate they chatted gayly. But the visitor sensed that some of the gaiety was forced, that beneath it these people were troubled.

The Resthergs have memories. A few short years ago they had been in slavery in a Nazi labor camp. There was still a vague gauntness



in the faces of the children. Their mother's hands were still knotted with calluses.

Then the Allies freed them. Instead of returning to their native Latvia—they wanted complete freedom—they entered a camp for displaced persons. They had dreamed of coming to the United States, but had grown weary of waiting, and when they were given a chance last year to go to Argentina they accepted it readily.

Alberto, a graduate engineer, was given a job a few days after he arrived in Buenos Aires. The children, too, found work: Mirdza as a clerk, Valdis as an upholsterer's helper, Vilnis as a handy boy in a store. Soon, the family was living well.

"People want to know how I feel about my new country," Alberto Resthergs says. "I have a good answer for them. I used to be Albert. I have added an 'o' to my name."

It is a story that can be heard over and over in many parts of Latin America today. Resthergs has tens of thousands of counterparts there—on the farms, in the cities, in the factories, in the industrial centers, sturdy, honest, hard-working people who have been taken from Europe's dismal DP camps and given the beginnings of new lives.

To Latin America, these people are not charity cases—they are precious trophies; trophies in one

of the oddest international handicap races in history, in which the human being is sought rather than some strip of rich land or strategic isle.

While the United States moves slowly, ponderously toward doing a share in solving what is called the DP "problem," the Latin Americans, seeing the DP as a blessing rather than a problem, are racing full steam to bring these homeless of World War II within their borders.

The race began in 1947 when Brazil launched a trial immigration program. Brazil's neighbors, also engaged in heavy industrialization and internal development and also critically short of work-wise hands to do the job, followed suit and the race was on, each country bent on getting the cream of the DP crop.

Brazil, Argentina, Venezuela, Chile, Peru, Colombia, Bolivia, Paraguay and Guatemala all entered the handicap. But they did far more than open their doors and roll out the traditional Latin red carpet of welcome. They set aside huge sums of money, ran clever recruiting programs, established special government agencies, prepared costly reception centers and amended immigration laws. Some

even sent missions right into the DP camps to hand-pick and lure DP's across the Atlantic.

Before long, it had the flavor of a supermarket in human souls, but there was nothing inhuman about it. The results have pleased everybody concerned.

Today, hordes of ambitious, grateful Poles, Russians, Balts, Germans, Ukrainians, Yugoslavs, Rumanians, Hungarians and others who have refused to return to their prewar homes because of fear of persecution are working hard and living happily in Latin America. And in the short time they have been there they have made notable contributions in business, industry, agriculture, engineering and the general economies.

At a time when hundreds of millions of dollars are being spent on mammoth development and building programs, the DP's have come as a veritable godsend. Throughout Latin America, mills and factories, dams and bridges, roads and rails, power plants and housing projects are rising—yet there is an untold shortage of labor.

The Brazilian Congress, for example, is now ending discussions on the giant SALTE plan for the development of all the country's resources. Brazil has set aside a

This Polish refugee farmer takes time to chat with two of his neighbors. He went to Venezuela in 1947

ERO PHOTO—ARTHUR ZEGART



budget of \$860,000,000 for the project. Half of the sum will go toward the building of 2,000 kilometers of railroad that will link central Brazil with the northern area and 1,000 kilometers more that will connect the central area with the south. In addition, 12,000 kilometers of existing rail lines will be improved and many thousands of kilometers of highways will be paved. Extensive farm and petroleum regions will be improved, and great hydroelectric power plants will be constructed.

Chile is building a \$10,000,000 steel mill at Concepción and when that is completed similar projects will be considered. Bolivia's private mining interests are investing \$30,000,000 in mine improvements to supplement the Government's 1949 budget of \$67,000,000 for general business development. In addition, the Bolivian Government is currently laying two new railroads—with 850 miles of rail—between her central area and western Brazil and northern Argentina. Argentina is in the midst of her tremendous \$1,000,000,000 five-year plan.

It's a breathtaking pattern into which the DP blends perfectly.

During a recent visit to South America, I saw the DP's. I saw a re-enactment of a chapter from the saga of our own country, a chapter written not many years before by other immigrants. Then, the United States had looked toward Europe and lifted her voice:

"Give me your tired, your poor,
Your huddled masses yearning
to breathe free. . . ."

The cry was heard. Immigrants streamed to our shores and fanned out through the nation. And soon, in response to their toil, plants and cities rose; power came out of water; mines and tunnels pierced through rock; vegetation burst from earth; and rails leaped over hills, and highways shot out over the land like so many fresh veins.

In Latin America there are open doors and there are the same kind of people streaming through them, with the same will to build, to push to new frontiers.

"The DP," a Latin America immigration official told me, "is rich in culture and talents and he is ambitious. Here, he has found not only freedom, but a new home and broad opportunities for a bright future—the things the immigrant found when he went to the United States several decades ago."

Brazil set the original pattern in the race for the DP. The cities and industrial areas had sapped great numbers of workers out of the rural sections, leaving the farm-



190 PHOTO—ARTHUR ZEGART

**These ex-slave laborers from the Ukraine are on
their way to South America to start life afresh**

lands critically short of manpower. And still there were not enough skilled hands for the country's improvement projects. There were six jobs for every man in the State of Goiás, the proposed inland capital which will succeed Rio de Janeiro when it is deserted as the nation's No. 1 city because of its vulnerability to attack. Then, there was the shortage of workers in São Paulo, Brazil's foremost industrial center, said to be the continent's fastest-growing city.

Concerned over the situation, Brazil set her sights on the DP. In April, 1947, under a "selective large-scale immigration" plan, she sent teams of selection officers into the DP camps with orders to hand-pick and bring back supplies of good workers. The teams, aided by the International Refugee Organization (IRO), UNRRA'S successor in looking after war refugees, quizzed prospective immigrants on skills, politics, and willingness to migrate to Brazil.

By the end of 1948, more than 13,000 DP's had been selected and were settled in their new homeland.

Brazil has set up an efficient, fast-moving system to handle the

newcomers. They are taken to Rio de Janeiro on IRO ships and housed in a handsome reception center on the romantic *Ilha das Flores* in Guanabara Bay. There they are given identity cards and work permits.

Early in the Brazilian DP program, wrangling among government agencies had erupted—over policy, authority and system. Only when the press set up a howl did the wrangling stop and the program really get under way. But while the arguments were going, Argentina, having kept an eye on the proceedings from the start, took advantage of the lag. She stepped in and grabbed up many of the best workers in the DP camps.

As this is written, Argentina has "imported" more than 21,000 DP's in a schedule that calls for "all we can get." In addition, that country has become the home of 70,000 other Europeans, mostly Italians, all induced to migrate during the same period.

Argentina began her DP campaign by organizing foreign-group societies on a nation-wide basis: groups of Italians, Estonians, Germans, Latvians, Poles, Yugoslavs
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You'll Never Ride

AMERICANS have been told that a piece of uranium no bigger than a pea could heat their homes for years. Accepting this as gospel, many look forward to the day when they will have little nuclear furnaces in their homes and be done, forever, with other fuels.

Many optimists assume that it is only a matter of time before they will be driving atomic-powered automobiles, riding behind atomic locomotives, cruising in atomic luxury liners, bobbing along in atomic speedboats.

They have been told, and see no reason to doubt, that atomic fertilizers will produce crops that will make Jack's wondrous beanstalk look like a sprig of steer-cropped sagebrush—that nuclear radiation has brought man to the verge of victory over all disease, starting with cancer.

It's a shame to knock such dreams in the head. But, so far as the world's best scientists can tell, there's nothing to them.

Nuclear fission is a wonderful thing. There is no reasonable doubt that it is going to produce wonders in medicine, agriculture, industry, for our benefit.

But:

Although you may some day live

in a home heated through nuclear fission, you never will have a nuclear furnace of your own.

Although you might some day go to sea in a nuclear-powered liner, it is a safe bet you never will drive an atomic automobile, speedboat or personal plane. It is unlikely that you will ever ride behind a nuclear locomotive or in a nuclear passenger plane.

Although food may be better, more abundant, cheaper because of nuclear fission, that will not, in all probability, be brought about by atomic fertilizers.

Although diseases will be cured, and often prevented because of nuclear fission, only to a limited extent will this be done by direct therapeutic uses of radioisotopes.

Experimentation and development, in connection with both atomic power and the uses of isotopes, are only in their infancy. Already they have suggested wonders to come, but they also have sadly discouraged some of the overoptimisms that burgeoned when our achievement of nuclear fission first became known.

On the other hand, experience has dispelled a few of the fears created by first reports from Hiroshima and Nagasaki.

Just as some imagined that radioactivity might create great fertility, so others feared that it would sterilize for years the earth wherever it hit.

But seeds planted a few feet from ground zero, in Japan, appear to





Behind an Atom

By S. BURTON HEATH

OPTIMISTS see us as future Buck Rogers as a result of nuclear fission. Don't believe it because that day is a long way off

have produced normal crops of normal plants.

When the Bikini ships were about to sail from San Francisco, there was a wave of fear among crew members that radiation might cause sterility. But among humans exposed in Japan and animals at Bikini, those who survived appear as potent and as fertile as their fellows.

Because it is established that radiation can modify the genes, it was feared that those who survived exposure without becoming sterile would breed monsters. But in all of Japan and among the Bikini animals, no monster has been born, though a few deformed embryos were aborted, whether or not because of the bombs.

Many myths and misunderstandings have grown up around nuclear fission. It seems that the time has come to set a few of them straight. We can better appreciate the blessings that will come from nuclear fission if we do not build up too many overexpectations.

Now, it is true that a hunk of

U-235 the size of a pea contains enormous potential energy. Half a million such pieces, properly used, contain enough to supply all of this nation's fuel requirements for an entire day.

But, by itself, a pea-sized piece of U-235 is incapable of undergoing fission at all. It cannot be useful for heat or power until enough has been brought together to constitute what is called the "critical mass."

I have no idea how big the critical mass may be. If I knew, the law says I could be shot or hanged for telling. However, a few clues have been given us.

We are told that, in a bomb, the critical mass is not less than 4.4 nor more than 220 pounds. We are told that the critical mass is greater in a nuclear reactor, where the U-235 is distributed around in a "moderator," than in a bomb.

It appears that it would take at least the equivalent of 700 pea-sized pieces of uranium 235, and maybe the equivalent of 14,000 or even more, to produce any heat.

But that is not the real reason you are not going to have your own nuclear furnace someday. Assuming just for argument that enough material could be provided to let everybody have the minimum for his own furnace, automobile, speedboat—there are more convincing reasons why you must not expect ever to have such things.

To begin with, the energy released by fission creates heat that, if uncontrolled as in a bomb, is believed to reach a temperature

around 2,000,000 degrees Fahrenheit.

Such temperatures would destroy the reactor and everything connected with the power plant. Tungsten, which will stand higher temperatures than any other metal, melts at around 5,300 degrees Fahrenheit and boils at around 9,600 degrees.

In a nuclear reactor the temperature is not permitted to reach such excessive height. By using rods of boron or cadmium to capture some of the neutrons released by fission, the reactor's temperature can be held to whatever level might be chosen.

The upper limit of temperature must be fixed by the ability of the materials used in the reactor, and in the rest of the power assembly, to withstand heat.

There is no Rube Goldberg business about atomic power. It is just good, old-fashioned heat used to operate an engine or a turbine. In its use, the nuclear reactor is just a firebox that "burns" U-235 as fuel instead of coal, oil or gas.

The heat it produces could be piped into your city home in steam or hot water. Or it can be used to make steam, or expand gas, with which to operate an engine or a turbine, to which if we choose we can attach a generator and make electricity.

Aside from the enormous temperatures it could produce, if we could use them, the nuclear firebox differs from others in two ways. One is that it will not operate at all until a certain minimum quantity of fuel is supplied. The other is that the "burning" or fission releases deadly alpha particles, beta and gamma rays, and neutrons.

To protect persons who must be around them, the reactors must be shielded. The original reactor, now at the Argonne Laboratory outside Chicago, operates at low temperature. Nevertheless, it has a shield of at least five feet of cement around it. A foot of lead probably would do the job, but lead weighs more than 686 pounds to the cubic foot.

There can be no such thing as a small reactor. It must be big enough to handle the minimum fissionable amount of U-235, plus the moderator—up to now graphite or heavy water—in which the fuel is placed. And it must be surrounded by a thick, heavy protective sheath.

Present-day reactors weigh hundreds of tons. We are told that it will be very difficult to bring the weight down below 50 tons. David E. Lillenthal, chairman of the Atomic Energy Commission, says the cost of a reactor with necessary protective accompaniments is about \$50,000,000.

The two reactors at the Argonne Laboratory are each about the size of a small two-story house. Two new reactors in England, where power is a more pressing need than here, are larger. Each is a 120 foot concrete cube, which would be the cubic equivalent of a five-story apartment building one street

block square. Each is surmounted by a 400 foot stack to carry away radioactive gases.

Scientists are seeking to reduce size and weight as well as to improve efficiency. The cost also eventually will be cut.

But it is safe to say that neither weight, size nor cost ever will be brought down to where a householder can use a reactor for his furnace, or to power his car.

Experts say that a locomotive, or a giant aircraft, might constitute a borderline case. Size and weight may well be brought to where they could be handled. But it seems improbable that any railroad or air line will be able to pay tens of millions of dollars for the power plant in each locomotive or plane.

A ship, from submarine up to battleship, carrier or luxury liner, could stand both size and weight, particularly since no coal or oil would have to be carried. But the Queen Elizabeth and the Queen Mary both could be reproduced today in England for less than the present cost of one nuclear reactor.

Another reason why nuclear power plants will not be used in common means of transportation is the danger of spreading deadly radioactivity over a densely populated area, in case of accident.

So, nuclear fission appears practicable only through big central plants, or for use in warships—possibly in warplanes—where cost is of secondary importance and normal safety factors are ignored.

The Atomic Energy Commission is conducting experiments in these three fields. Most experts feel that the first commercial nuclear power plant may be technically feasible in about ten years. This ignores the question of economic desirability. They think it will be at least 20 years, aside from economic questions, before such power can hope to become important.

(Continued on page 70)



It took the pigs that survived Bikini to put an end to fears that exposure meant sterility



Once when F. M. Higgins, president, at right, ran out of stock forms he used a paper napkin to sign a stockholder



The Line that Lets Everyone into the Act

By PETER LISAGOR

CAPT. Floyd Parkinson, wartime Navy pilot, ex-operator of a charter flying service in South America, and man-about-the-world, thought he was beyond surprises until the day he landed his Wisconsin Central Airlines plane on the pine-fringed strip at Land O' Lakes, in the heart of Wisconsin's resort country. There, as though transfixed by the sight of an airplane, was a family of bears.

"I like to died," drawled Parkinson, a native of North Carolina. "The bears just wouldn't run. They stood pat by the runway just as interested as the townfolks."

From other points along Wisconsin Central's route, similar reports coming into the Madison home office sound more like a Conestoga wagon train chronicle of 1849 than something out of the atomic-air age of a century later. A glance

through the file of teletype messages will illustrate the pioneer note. Not long after Parkinson's brush with the bears, the station manager at Land O' Lakes reported:

"One herd of deer. Please advise plane to circle until they can be shooed off."

The past was neatly blended with the present by the manager at Hibbing, Minn., who described how he tried to run down in his new car a fox that had wandered onto the runway. He also reported deer on the field. A recent message from Green Bay, Wis., stated that cows had strayed from a near-

by Indian reservation and were sightseeing on the airstrip.

In Madison, itself, the station boss likes to talk about the flock of wild ducks which mistook the wet, glistening runway for a lake and landed en masse; he had sent them winging northward with his battered jalopy.

Such realistic "gremlins" as deer, fox and cows merely have added savor to the folksy pilot-passenger rapport as Wisconsin Central's twin-engined Lockheed "Electras" navigate, without qualm or mishap, a 1,200 mile route across the rich north central country.

The wide-eyed plight of remote



The airline's informality is typified by this picture of a pilot holding a baby while mother fixes her skirt

station managers makes easy talk between the pilots and their charges. The customers also are privy to navigational confidences—the latest weather reports, flight instructions, radioed witticisms, and “don’t step on that wedding cake going to Rhinelander! Have you no romance in your soul?”

A congenitally folksy breed anyhow, the pilots glory in this general-store informality, even though it sometimes involves assisting distraught mothers in diaper-changing or bottle-fixing. To illustrate how pilot dignity or aplomb is seldom upset by these extra chores, take the case of John “Smoke” Downing. A former Navy pilot, Downing resembles a subdued Mickey Rooney in stature and visage and is a special favorite of women passengers.

On a recent flight from Stevens Point, Wis., to Chicago were two mothers with crying babies, an elderly woman with a million questions about flying, a nervous housewife, and in the rear, a pretty young thing. Downing, when he came back into the cabin each time, took the questions in stride, calmed the housewife, and spent

several minutes holding the babies while the mothers alternately arose to straighten their skirts, fix a bottle or prepare for baby’s change.

He didn’t especially like the amused look on the face of the pretty young thing. Finally, he stopped by her seat and perfunctorily asked: “Are you enjoying the trip?”

“Very much,” she said, broadening her smile.

“Have you ever flown before?” asked Downing.

“Oh, yes,” she replied, with a touch of hauteur, “I’m a hostess for—” naming a major airline.

Downing jumped to the bait with alacrity. “I,” he said sternly, “am a hostess for Wisconsin Central. Fasten your seat belt, please.” He walked away with authority to rejoin the co-pilot.

This small-town friendliness is paying off for the little year-old “feeder” airline which is serving 22 cities in Wisconsin, Illinois and Minnesota. Added stops in Upper Michigan await only the completion of airports at Escanaba and Iron Mountain.

Wisconsin Central also is prov-

ing to skeptics that the business frontier is far from defunct. In the third quarter of its operations, the company showed a profit—as remarkable an achievement for a fledgling airline today as it was for an infant railroad 75 years ago. In its second month of operation, its express load was greater than that of any other feeder line in the nation—further proof, if needed, that air traffic to cities and towns off the regular air paths was a belated arrival.

This success helps to explain why employees, many of whom were veterans of the major trunk lines before they joined the pioneering feeder, have few nostalgic pangs. In fact, they refuse to be kibitzed successfully by their brethren of the large cities, as a bus load of airline personnel in Chicago can testify.

The bus was traveling between the Chicago terminal and a Loop hotel, with Capt. Alexander Banks of Wisconsin Central among the riders. Two trunk line hostesses thought it would be fun to needle Banks.

“Let’s see one of your schedules,” one asked Banks.

When Banks gave her one, she remarked, “Only one page? Why, we have many, many pages. How many planes do you have, captain?”

“Six,” replied Banks.

“Connies?” the other asked.

“Nope, Lockheed 10-A’s. Electras,” said Banks, adding demurely, “we call them Northliners.”

The girls tittered. By now the entire bus load was listening. “We have 150 airplanes,” said one, “mostly DC-6’s. And how many employees do you have?”

“One hundred and fifty,” Banks replied.

“We have 12,000,” was the next sally, and the passengers laughed. The baiting covered route miles flown, equipment, and other items, Banks remaining the deadpan straight man and butt.

Finally, the Wisconsin Central pilot readjusted his long legs and pulled his frame up in the seat. “There’s one other way our line is different from yours that you didn’t mention,” he observed.

“And what’s that?”

“We make money,” Banks shot back, silencing the girls for the remainder of the trip.

This employee pride is matched by the fierce proprietary interest manifest by citizens of the rich industrial and agricultural region Wisconsin Central serves. “Proprietary” is the appropriate word here, because the company has

more than 1,000 small stockholders, with a large number of \$4 shareholders among them. No one individual owns more than ten per cent of the stock. The company is capitalized at \$620,000.

"It was simply a case of not having any 'angels' when we started," says Francis M. Higgins, 49 year old president and one of the company's original founders. "We had to sell stock practically by ringing doorbells."

"Now you couldn't throw a beer bottle in Land O' Lakes (pop. 500) without hitting one of our stockholders," adds Hal M. Carr, the executive vice president, who, at 27, is one of the nation's youngest airline officials. Carr constantly receives advice on operating practices from the \$4 shareholders, a group which includes housewives, barbers, carpenters, farmers, grocers and other plain folks of the region.

This proprietary sense sometimes takes a practical turn, as it did at Baraboo, Wis., when high-tension wires blocked the approach to the runway. A group of interested citizens got shovels and dug the necessary ditches themselves.

The community was rewarded by a steady flow of tourist traffic, vital to a town that stands as a gateway to the lush resort country of the Wisconsin Dells and Devils Lake.

The line started its operations in February, 1948, after the Civil Aeronautics Authority had decided that it was most likely to succeed of the many applicants for the franchise.

Before the CAA divided the nation into 18 regions in 1942 and announced "feeder" lines would be authorized, such regions as the north central one covered by the airline were suffering a time lag in air transport.

Higgins had been chairman of the Chamber of Commerce aviation committee at Clintonville (pop. 4,000). As advertising manager of the Four Wheel Drive Company, a firm with international markets, he knew the value of air service into the area.

The region had a number of cities near or above the 50,000 mark in population—Madison, Green Bay, Racine and Oshkosh, to name a few—which lay between Chicago,

Milwaukee and the Twin Cities of St. Paul and Minneapolis. Industries were varied—farming, cheese, beer, tobacco, overalls, fishing, to name a few. The further fact that no railroads ran from east to west in Wisconsin (probably a throw-back to the days when railroads were first built to haul out lumber from the north woods) augured well for air travel. There was, finally, the resort trade; air travel would make the jewel lakes of the north accessible to week-ending Chicago and Milwaukee business men whose families were spending the summer there.

The affable, optimistic Higgins had little trouble persuading local chambers of commerce to develop



The opening of the Brainerd, Minn., airport came in sub-zero weather, as did the first flight into Wausau, Wis.

NORTH WOODS STUDIO



studies showing "convenience and necessity" to the CAB. And when he finally latched on to Carr, a former TWA economist who had helped map that line's world routes, there was no stopping the young company—provided the money could be found.

Higgins and Carr found it. Typical of their campaign through the state was a night in Stevens Point, Wis., when, after a discouraging day peddling their stock, they repaired to a local night club to commiserate over their failures. Carr, who tells the story, says he was standing at the bar when he noticed a line forming. At the end of it was Higgins, signing up delegates to a grocer's convention.

"He had run out of the regular stock forms," Carr recalls, "and was using match covers and paper napkins."

Chambers helped start

HIGGINS and Carr agree that chambers of commerce in the communities served by the airline deserve the greatest praise for their solid start and continued success. The company lacked funds for advertising and large-scale promotion, but the local business groups filled the void. Free newspaper space and radio time were, and still are, provided. Chambers of commerce distributed schedules, promoted store advertisement tie-ins, and staged gala airport openings. The latter were holidays, with parades, style shows, hoopla of a kind that must have greeted the arrival of the Wells-Fargo express in pioneer days.

The first flight into Wausau, Wis., was made in 20 degree below zero weather. Yet, several hundred citizens appeared to greet the plane. At St. Cloud, Minn., everybody appeared but the plane did not. Weather had grounded it in Duluth. While the band played on, the mayor, boy and girl scouts, county and business officials plagued the unhappy station manager. Finally, the latter teletyped a frantic "What do I do now?" message to Madison. Back came the answer: "Now, my boy, you sit back and say to yourself, 'I am a full-fledged Wisconsin Central employee.'"

The commerce groups, alert to the exciting potentialities of the airline's stimulus to trade, were a major factor in establishing low landing fees (\$1 for the first year of operation). The airline's only other fee is \$1 per square foot for space back of the ticket counters. The cities take care of everything

else, including quick clearance of snow from the runways in the northern cities (often before it is cleared from the city streets).

Today, a Duluth resident can leave home in the morning, be in Chicago for dinner, a show and a late supper and arrive back home by lunch time the next day. A Chicago business man can spend a week end with his vacationing family at Rhinelander, get in many hours taking a crack at the bass, muskie, northern and wall-eyed pike, without missing an hour at the office. And a Green Bay salesman can hop over to see a Minneapolis client in two and a half hours.

The line hauls industrial equipment up and down its system, spare parts, replacements for trucks, motorcycles, farm machinery. A needed automobile part recently went out of Wausau marked "Rush"—and in a matter of hours had reached its destination in Texas, via Chicago.

Live ducks, chicks and chickens are a common item among the express shipments. On a recent jaunt from Duluth to Chicago, passengers had a high time every time they visited the wash room, where a crate of baby chicks peeped merrily. As a contrast, the company has flown isotopes on their last leg from Oak Ridge, Tenn., to the University of Wisconsin laboratories in Madison's Wisconsin General Hospital.

To assure safety for all concerned, the company sent a man to Oak Ridge to learn the best way to handle the packages menacingly marked: "Danger, Radioactive Material." He returned to quiet the fears of apprehensive station managers, who frankly prefer baby chicks.

One of the line's most vital cargoes is the daily shipment of bull semen rushed to the Wisconsin Scientific Breeding Institute in Madison from Indiana farms. The Institute in turn sends it to points on the company system, after a careful check of the weather and times. Farmers meet these shipments at their destinations, assured that their stock will be scientifically endowed with the best quality.

A St. Cloud, Minn., department store not long ago transported an entire style show via the line, bringing its customers the latest in fashions from New York and Chicago in a matter of hours.

Statistically, too, the company can boast of its achievements. Higgins, in his year-end message, pointed out the line had flown more than 1,000,000 miles during

1948 without an accident or injury.

Like its counterparts in Winston-Salem, N. C., Ithaca, N. Y., Orlando, Fla., and other feeder operations, the company has learned that people in towns of 10,000 population buy 20 times as many seats per 1,000 population as do those in large cities. It has also learned economy operations, among them the brief stopover time. Time is the essence of feeder operations. The line has its stops down to four minutes from landing to takeoff; other feeders boast of even shorter intervals.

Already, the big lines have taken a tip from the feeders—in the use of the built-in gangplank in the cabin door and baggage racks in the cabin.

The feeders practice economy of personnel as well. A Wisconsin Central station manager is a licensed weather observer, a licensed radio operator, a ticket expert and a salesman, in addition to manifold other duties, like public relations work on the banquet circuit. These fellows also represent the air age in their communities and make frequent speeches to geography classes, P.-T.A. meetings and business group luncheons. And, to the company's great satisfaction, there is remarkably little turnover in personnel.

"It may be the sense of pioneering again," is one official's explanation.

The line, which now has 16 stops serving 22 cities, expects to make 36 stops serving 44 cities as soon as airports are ready. In time, larger planes are expected to be added to the present fleet of six.

Expands trading area

WHAT the air service means in the region is explained by Higgins. "We have helped expand the trade area of Minneapolis and St. Paul by bringing the towns they serve closer to the Twin Cities distributing center.

"Air service also means that shipments of goods by air express have helped small-town merchants reduce their inventories and offer their customers more varied and up-to-date merchandise. Since we're in one of the richest territories to be served by a new airline, we're confident about the future."

That future is likely to be enhanced by a resourceful staff, quick to adjust to the vagaries of the weather and the unexpected enthusiasms of a down-to-earth clientele. In Hibbing this past win-

(Continued on page 61)



TASTY SUMMER FOODS for GOOD HEALTH

Summer meals can be both tempting and tasty, while fulfilling basic nutritional needs. Too often, however, meals are planned solely to suit family likes and dislikes without reference to the health requirements of the individuals in the family group.

Summer or winter we require a well-balanced diet—one which includes an adequate supply of proteins, carbohydrates, vitamins and minerals. These essentials for sound nutrition may be found in three groups of foods. *Energy foods*, such as cereals and bread, butter and fats, and sweets, provide fuel for daily activities. *Building foods*, including meat, fish, eggs and milk, help to take care

of growth and repair of body tissues. *Protective foods*, like fruits, vegetables, whole grain or enriched flour, eggs, and liver, are especially rich in vitamins and minerals and help to safeguard our health.

Within each group there is a wide choice of foods which permits the selection of menus suited to the season of the year. Cheese and egg dishes, for example, may be particularly inviting on hot days, while heavy, fatty meats seem more appropriate during the winter. In addition, fresh vegetables and fruits, which are more available in summer, may often be substituted for winter staples.



Digestive upsets are more likely to occur in summer than at other times of the year. A light diet of essential foods, including fruits, will be less apt to overburden the digestive system than a heavy one.



Raw vegetables, served in salads, are often more nutritious than cooked, for the vitamin content of cabbage, carrots and other vegetables is higher when raw. Substituted occasionally for cooked vegetables, they may also make meals more appetizing.



One good hot meal a day in the summer is recommended by nutrition experts. During the war, U. S. Army tests in the tropics showed that it was easier for overheated men to digest hot food than cold.



In summer, because of greater perspiration, the body may lose more than 1½ quarts of water a day. This liquid must be replaced, for it helps to assimilate food and regulate body temperature. So, one should drink plenty of liquids in warm weather.

Eating wisely can help avoid overweight, or other conditions which may be detrimental to good health. Authorities say that eating the right foods in the right amounts usually brings a better level of health at all ages, and may contribute to a longer life.

More facts about healthful eating may be found in Metropolitan's booklet, 79-P, "Three Meals a Day." Write today for a free copy.

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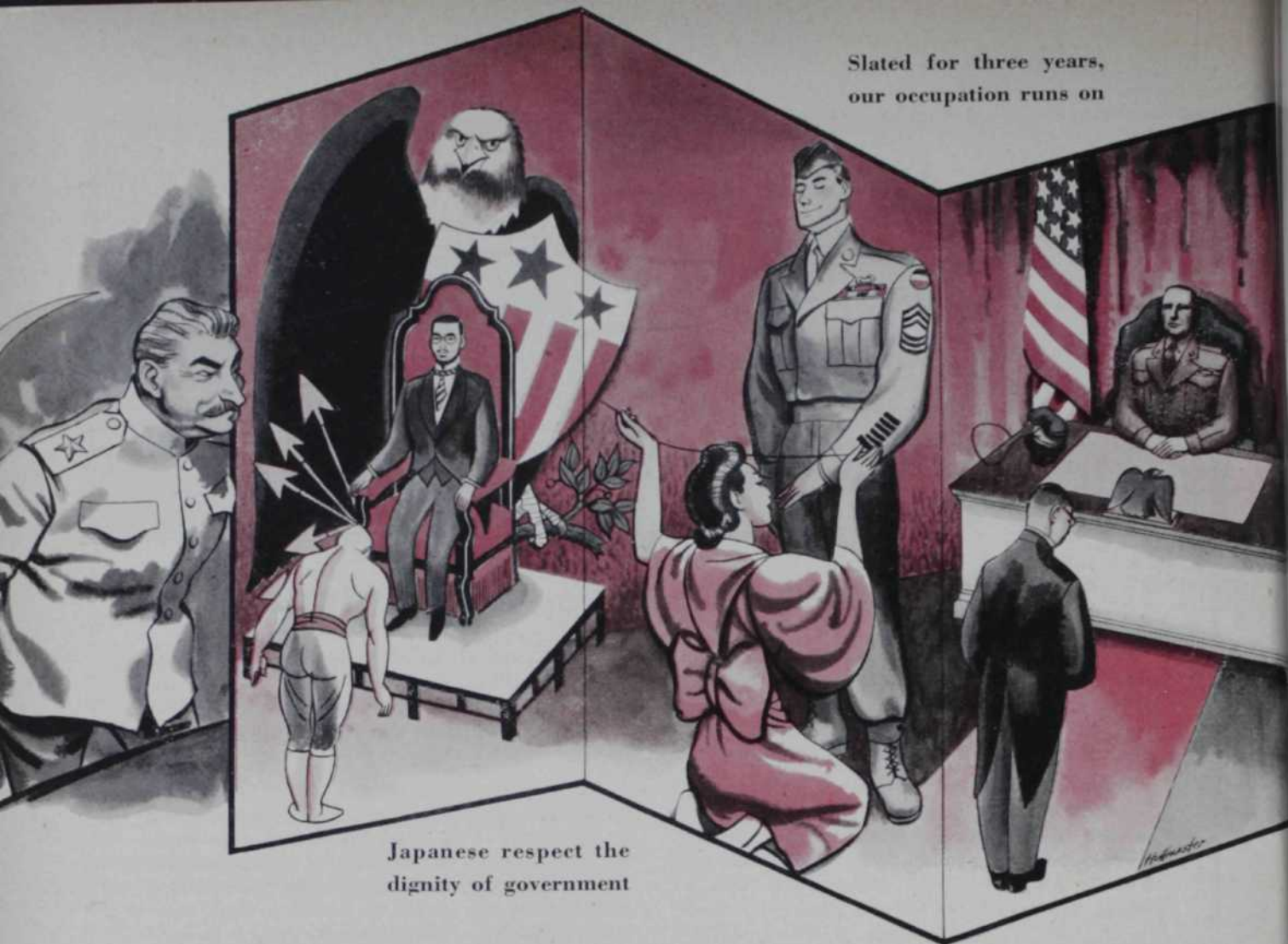
Metropolitan Life Insurance Company



1 MADISON AVENUE, NEW YORK 10, N.Y.

TO EMPLOYERS: Your employees will benefit from understanding these important facts about healthful eating. Metropolitan will gladly send you enlarged copies of this advertisement—suitable for use on your bulletin boards.

Slated for three years,
our occupation runs on



Japanese respect the
dignity of government

It's Our Move in the Far East

By JUNIUS B. WOOD

WHEN JAPAN signed the articles of surrender on Sept. 1, 1945, almost four years of fighting ended and the world thought the war in the Pacific was finished. Today, another four years are coming to a close and the war continues—diplomatic fencing, territorial rivalries and the smoke of burning villages.

It has become a political war in an area which shelters three fifths of the earth's inhabitants and possesses vast natural resources. As before, the United States is in a world war which will not be won in Europe alone. Japan has become our burden.

Our speed and skill in solving her problems will determine our country's future role in the Pacific. The great counterweight to this is the

JAPAN is the proving ground for America in the Orient. How we deal with her problems will determine our success in the Pacific

communist domination in China.

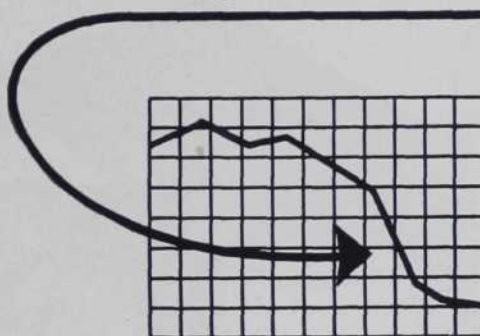
When Japan surrendered, the future seemed clear. Japan was to be disarmed and her war potential destroyed; her outlying territories would be distributed among the victors; reparations would be paid to those who had suffered from aggressions; her people would embrace American-style democracy; industry would revive also on the American pattern, and all would be accomplished with a minimum of

assistance and military occupation. A treaty would be signed and peace would again return to the Pacific.

A treaty to which all powers will agree is more doubtful now than it was four years ago. Reparations for the destruction in China, the Philippines and southern Asia continue a hope and a promise. The economic and industrial level which will make Japan self-supporting has not been fixed. Until that is done, the surplus for ex-



***Their products sold like hot cakes . . . and
the stockholders got their fingers burned!***



Judged solely by its soaring sales curve, company X seemed like a red-hot investment to the stockholders. And fat sales figures blinded management, too.

So, when profits and dividends did not match this apparent prosperity, the company's officials had some explaining to do.

But it was difficult to explain that they had too few figure facts on which to base sound decisions and plan successful strategy—too few facts, too late, about rising costs and climbing overhead to serve as warning signals of danger ahead.

With the proper office machines and methods, the management could have had complete, up-to-the-minute information. They could have foreseen the approach towards the "break-even" point, and have taken measures to avert it.

You can step up the efficiency of your office . . . you can have the figure-facts you need on time, when you mechanize with modern Burroughs adding, calculating and accounting machines. Why not let your Burroughs representative show you how today? Burroughs Adding Machine Company, Detroit 32, Mich.

WHEREVER THERE'S BUSINESS THERE'S

Burroughs 

THE MARK OF SUPERIORITY
IN MODERN BUSINESS MACHINES

port or for reparations cannot be estimated. Even more important, no revival is assured for industry which must pay for the country's necessary imports of food and raw materials.

At the same time, countries which have a voice in Japan's affairs are torn by turmoil and revolutions. Chaos increases and the burden becomes heavier on the United States.

The occupation of Japan which was to end in three years, at the most, runs on and on.

The United States, which carried the major burden of the war, is the sole support of the occupation. American troops garrison Japan. Gen. Douglas MacArthur is Supreme Commander for the Allied Powers (SCAP) and receives his orders from Washington, but the Far Eastern Commission (FEC), consisting of the Soviet Union, United Kingdom, United States, China, France, the Netherlands, Canada, Australia, New Zealand,

India and the Philippine Commonwealth—officially rated in that order—formulates policies and reviews his actions. Gen. Frank R. McCoy, retired, is chairman and Nelson T. Johnson, with long experience in the Pacific, is secretary-general. The United States contributes the former Japanese Embassy in Washington as headquarters and pays the administrative expenses.

The United States sits on the throne with its hands tied when it comes to action. The Commission directs the Pacific by remote control from Washington. Policies are decided by a majority vote but with the joker that no policy becomes effective unless the United States, Soviet Union, United Kingdom and China have voted with the majority. Decisions are passed on to our State Department, which forwards them, via the Department of the Army, to General MacArthur to put into effect.

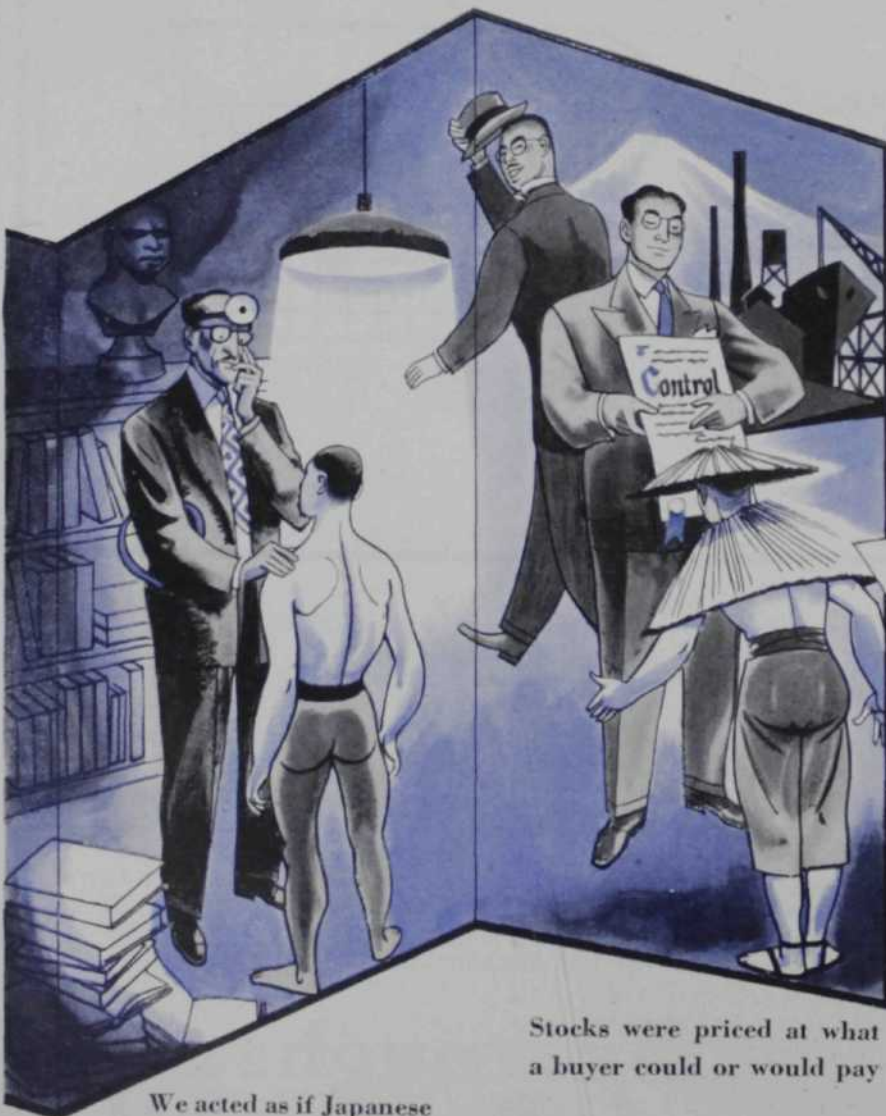
Washington also passes on its

own directives. Many were prepared by "experts" whose knowledge of Japan was limited to a Gilbert and Sullivan opera or "Madame Butterfly." "Think of something to teach the Japanese and see the Pacific" was the slogan.

Under the cover of occupation, enthusiasts—most of them sped on their way by plane—started to change the Japanese mode of life, education, agriculture, business, industry, finance, social customs, political procedures and almost every habit which had been ingrained in the people through thousands of years.

We sent scholars to teach fishing, though the Japanese have fished for 4,000 years and our big Pacific coast fisheries protest against their efficiency. The Japanese farmer gets more from his skimpy acres than an American farmer ever dreamed of, but instruction was supplied. We showed them how to run post offices though the Imperial Japanese Post Office delivered letters for three sen (½ cent) each and had an annual surplus while we charge three cents and have a staggering deficit.

Instead of realizing that the Japanese, by their own ingenuity and efforts, in less than 100 years had built their country into a great world power, Washington acted as



We acted as if Japanese were primitive people

Stocks were priced at what a buyer could or would pay



if it were an undeveloped land of primitive people. Broad policies were as bizarre as the irresponsible efforts of individual planners. The land policy, according to a study by the Brookings Institution, would not be acceptable in any state.

Democracy was amplified by an order instead of waiting for it to ripen from the people. Japan has had manhood suffrage for a quarter century but the additions include woman's suffrage and large flocks of elective officials as in America. Japanese are an obedient people and if told to vote, they do but, like other Asiatics, consider politics a profession for a select few.

Elimination of militarists was a phase of disarmament. The definition of militarist was stretched to include not only former officers but executives of commercial, industrial and financial establishments which had government contracts. Under total mobilization in any nation that would include practically all production. They were barred from public life and important commercial activities and, most repugnant to American ideals, the ban was extended to include relatives by blood, marriage or adoption to three generations removed.

The latest figures show 204,611 leaders in public and civil life were removed by this wholesale purge. Only the mediocre were exempt.

Disbanding the zaibatsu, the half dozen big companies conspicuous in Japan's economy, started enthusiastically. These are family companies which own banks, steamship lines, mines, factories and many lines of business. When an executive becomes valuable, he is adopted into the family. The zaibatsu compete with each other.

The crusade against the zaibatsu expanded to include more than 200 large companies. The controlling blocks of stock were to be broken up and sold to small investors, co-operatives and trade unions. To attract buyers, the stock flooding the market would not be priced at its real value but at what the purchaser was willing or able to pay. The plan ran into easily foreseeable obstacles. First, the stock exchange was closed; second, nobody of the requisite lowly status had any money to spare, and finally, those who had were not investing in factories that might be confiscated for reparations. The latter possibility also discourages the investment of American capital in Japan.

The proposed solution was to adapt the American farm program where the Government buys whatever surplus farmers cannot sell on

Need more MONEY to make more MONEY?

Competition is back in the picture. That places a premium on efficiency. If a larger and continuing supply of cash would make your operation smoother . . . enable you to cut production costs . . . save on such items as cash discounts . . . plan ahead with greater confidence . . . you should send for the new and timely book about our Commercial Financing Plan. Thousands of executives have requested and read this book in recent months, and many of them are now enjoying the benefits of the plan it describes.



Our Commercial Financing Plan will give you substantially more cash than is available from usual sources. It operates continually . . . according to your needs . . . thus eliminating renewals, calls and periodic clean-up of obligations.

It is quick and simple to start . . . involves no change in accounting procedure . . . no change in your relation with customers . . . no interference with your management or control.

You will find the cost of using our Commercial Financing Plan well in line with the

benefits you enjoy by having adequate cash available when and as you need it. Evidence of this is that manufacturers and wholesalers are using the plan at the rate of \$200,000,000 annually. Their needs vary from as little as a few thousand to millions.

To repeat . . . if you need more money to make more money . . . send for a copy of "How To Have An Adequate And Continuing Source Of Operating Cash." Just phone or write the nearest Commercial Credit Corporation office listed below.

COMMERCIAL FINANCING DIVISIONS: Baltimore 2 ■ New York 17 ■ Chicago 6
Los Angeles 14 ■ San Francisco 6 ■ Portland 5, Ore. . . and more than 300 other
financing offices in principal cities of the United States and Canada.



the open market. The Japanese Government would buy the stock. Eventually industry and commerce would be nationalized. After four years of uncertainty only the Oji Paper Company and the Japan Steel Tool Company, aside from big holding companies, have been reorganized. Half a dozen more companies may follow, but it is agreed now that Japan is not ripe for a socialized state.

The efforts to force onto Japan plans and innovations which had failed in the United States were not abandoned until recent months, when it became clear that a stable and self-supporting Japan is one, if not the first, essential for the Pacific.

Five capable American business men were sent to the country last year as a Deconcentration Review Board to start Japan's trade and industry going again on a practical basis. Joseph Dodge, a Detroit banker, followed this year to work out an economic stabilization program. In keeping with abandonment of the grandiose plans to revolutionize the country's age-old commercial and economic structure, another order has halted the purging of what remains of national leadership.

Disarming the country, dismantling munitions plants and distributing what remained of the once great navy was comparatively easy. Our Army did so well that 15,000 pistols are the only weapons remaining in Japan proper. The Red army delivered the stores which it seized in Manchuria to the Chinese communists to use in wresting north China from the Nationalist Government.

Distributing territory was equally simple. In accord with the Yalta, Teheran and Potsdam agreements, Formosa went to China, and the Soviet Union occupied the southern half of Sakhalin and the Kuril Islands, stretching north from Japan to Kamchatka. They became the outer defenses of Siberia, within easy flying distance of Alaska. The Ryukyu and mandated islands, south of Japan, are administered by the United States and the other ten nations in the Far Eastern Commission. Their final disposition is among other questions to be settled.

In collecting reparations, the Soviet Union, though it entered the war only five days before Japan accepted the surrender terms on

Aug. 14, 1945, was again in a favorable position. Its armies occupied Manchuria and could help themselves to Japanese property. Other countries were not so fortunate. The Philippines have claims for \$5,350,000,000. To the end of last year, they had received only \$11,390,000. China has received more but its claims are larger and now two governments claim the reparations. Other countries of the Pacific make a total so large that it never will be paid in full.

In the meantime—now, four years—the United States pays the bills. Our allies do not object to that. In easily remembered figures, our yearly bill runs to \$400,000,000 to ward off starvation and suffering in Japan; another \$400,000,000 for military occupation which Japan is obligated to pay but probably never will; and a third \$400,000,000 loss of normal exports to the country. American taxpayers dole out \$1,200,000,000, while nations which criticize block peace.

Our policies in Japan must meet the broader political and territorial

millions repatriated from lost territories, the food shortage will increase. The acres cannot change.

Japan must have both raw materials and markets. In the years 1930 to 1934, which are taken as a peacetime base, more than 12 per cent of Japan's export sales were to China and Manchuria and 13.6 of her imports came from across the China Sea. China and Manchuria helped supply coal, iron, bean cake and cotton, each a prime necessity for Japan. Today their production, though badly wrecked, is controlled by the Chinese communists. Moscow will decide whether north China and Manchuria, Sakhalin Island, with its oil, and the fishing banks off the Kuril Islands are to be closed to Japan. This bargaining value will not be overlooked by the Soviet Union in future negotiations but, as the percentages show, their loss will not ruin Japan.

Japan is capable of running her own show. She can find new sources of raw material and new markets for those that are lost. She can pay her own way if allowed to do so. She should be an asset and not a liability to the United States.

Britain, France and the Netherlands have lost strength in the Far East. The Soviet Union occupies the northern islands of Japan; Manchuria and north China are in its domain and its followers are plotting and fighting for control of other countries in southeast Asia. The Soviet Union has become the strong power on that side of the Pacific.

The United States has military bases in the Philippines and on Pacific islands.

They will be useful if war should come but the contest may be fought and won without them, on the battlefield of commerce, finance and friendship.

As the two giants lock horns, smaller countries in the Pacific become unwilling pawns. Except for ambitious agitators, their people do not crave the yoke of the Soviet Union, of European nations or of the United States. They want to run their own affairs and welcome any support which brings a promise of winning that independence.

Other nations in that part of the world have no sympathy for Japan. Its military and economic might which dominated them are gone. The people of the Pacific are more concerned over the American



"While you're in there, dear,
will you comb my hair?"

changes which have come to Asia in the past four years. Attempting to force western democracy and our way of life on older civilizations and temporizing with other nations in a vain hope for cooperation promises eventual failure, as followed that policy in China. Japan and the Pacific have become our problem. We must solve it.

The fundamental problem in Japan is providing enough food for its population. Her 15,000,000 arable acres are farmed by 5,500,000 families. Even with the most intensive cultivation such toy-sized garden plots cannot provide food for 80,000,000 persons. Japan imported one fifth of her food in addition to what her fishing fleets brought home. With increasing births and

occupation. From it, they will decide whether the United States is in that part of the world to help their own cause of independence as we claim or is entrenching itself as a permanent ruler, as our detractors charge.

Nor can Japan be dismissed as a mere buffer between the United States and the Soviet Union. Its people and its resources will have weight on either side. It can be the most stable country in the Pacific. India and the Philippines promise to be but their governments are young.

Japan is the proving ground for the United States in the Orient. It will show other countries whether our policies and promises are effective and reliable. It will show us whether we can depend on the sympathy and support of the people of a country on which we have expended billions.

There is little doubt that Japan is with the United States as nations take sides in the fight. Japan does not envy our culture but is openly hostile to communism. Her ideas of democracy differ from ours but are at the opposite pole from what the Soviet Union calls democracy.

American generosity

THE Japanese of the homeland have a heartfelt appreciation of American generosity which saved a vanquished nation from starvation and death. Even more tangible is their wholesome respect, which the soldiers returned from Russia share, for the nation which so decisively defeated the proud army and navy which they thought invincible. "If we withdraw, the Soviet Union will move in," is often heard. But Japan can handle its own fifth columnists while a definite commitment from Washington will be as effective as our small occupation force in discouraging any armed invasion. Putting the responsibility on Japan is an assurance that the United States has no colonial ambitions in the Pacific.

The occupation is becoming irksome to both the United States and Japan. Other countries of the Pacific contrast our record of procrastination and presents with Moscow's policy of action and promises. The time has come to stop playing at schoolteacher and to stand Japan on her feet as a dependable bulwark with the United States for peace and order in the Pacific. While we dally in Japan and concentrate on Europe, time is running out. We can lose the Pacific by default.



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HERMAN W. STEINKRAUS, president and chairman of the board of the Bridgeport Brass Co., Bridgeport, Conn., is the newly elected president of the Chamber of Commerce of the United States. He was named to the organization's highest office at its recent Annual Meeting in Washington. He succeeds Earl O. Shreve.

Elevated from the board of directors to vice presidencies were: Richard L. Bowditch, president, C. H. Sprague & Son Co., Boston; Dechard A. Hulcy, president, Lone Star Gas Co., Dallas; and Laurence F. Lee, president, Peninsular Life Insurance Co., Jacksonville, Fla.

The following were elected directors for the first time:

Second Election District—George E. Whitwell, vice president, Philadelphia Electric Co., Philadelphia; honorary director, Chamber of Commerce of Philadelphia.

Sixth Election District—Robert H. Walker, Walker and Concannon, Keokuk, Iowa; director, Keokuk Chamber of Commerce.

Eighth Election District—Clyde B. Dempster, president, Dempster Mill Manufacturing Co., Beatrice, Nebr.; member, Past Presidents' Advisory Council of Associated Industries of Nebraska.

Representing Foreign Commerce—John P. Herber, president, John P. Herber & Co., Seattle; president, Pacific Northwest Lumber Exporters Association.

Representing Domestic Distribution—Jay D. Runkle, vice president and general manager, Crowley, Milner & Co., Detroit; director, National Retail Dry Goods Association.

Representing Insurance—Frank H. Thomas, president, Fire Association of Philadelphia, Philadelphia; member, National Board of Fire Underwriters.

Directors-at-large—Paul D. Bagwell, Department of Speech, Dramatics and Radio, Michigan State College, Lansing, Mich.; immediate past president, United States Junior Chamber of Commerce. James Tanham, vice president, The Texas Co., New York. They will serve for one year.

So You Want a New Handle



MOST PEOPLE don't know it, but it's the easiest thing in the world to change your name if you don't like it. All you've got to do is to call yourself something else.

Department of Justice sources aver that there is no law that says a person need even bother to go through any legal process if he decides to call himself something other than his true name.

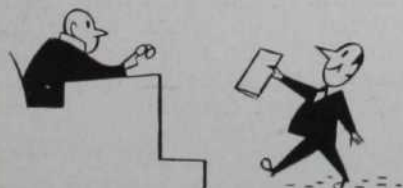
It's as simple as this:

Suppose your name is Aloysius Q. Finagle. Suppose for some reason you decide you don't like it. You begin referring to yourself as Bruce Armstrong. You sign all your papers that way. You put your checking account in that name. You have calling cards printed bearing the inscription: Bruce Armstrong. You have the name put opposite your number in the telephone book.

This transformation doesn't need any legal sanction or notification, according to sources in the U. S. Attorney General's office. In fact, some persons known to you have changed their names in this way. Most movie stars, including Tom Drake, whose real name is Alfred Buddy Allerdycce, have changed their names without bothering to go to court about it.

Of course, if you'd like to go before a judge and make the change, that's quite all right. It's a way of showing, if you have no obviously professional reason for making such a change, that you don't have any ulterior motive.

Anyway, if you don't like your name, you don't have to stand for it another minute.—Jo PATNICK



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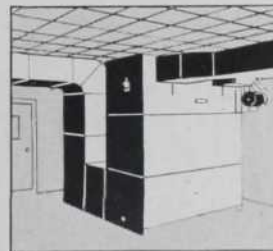
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Did We Grow Up or Blow Up?

THE DAWN of the explosives industry is lost in a great cloud of smoke. Many a good alchemist of the Dark Ages, seeking to transmute lead into gold, rode out of the world on a sheet of flame, and learned too late that he had discovered a high explosive. Since his records and laboratory usually accompanied him on his ascension, the world would remain quiet until the next accidental discovery.

Not until Roger Bacon (1214-1294) came along did discovery and survival occur simultaneously, and permanent records on how to make gunpowder took the place of smoking ruins. For it was Bacon, not the Chinese, who discovered gunpowder. By 1325, Bacon's combination of saltpeter, sulphur and charcoal was being used in firearms, and the knight in armor was doomed. By 1331, the Moors were using it in cannon, and the once-impregnable feudal castle was doomed.

Strangely enough, so convenient was gunpowder for destruction that nearly 300 years passed before anyone thought to use it for construction. Then was discovered the real use for which explosives had been conceived. The Germans began using the stuff for blasting rock in 1627, England began using it in mines in 1689, and the Swiss road builders found they could tame mountains with it in 1696.

In America the founding fathers started powder mills almost as soon as their feet dried out after land-

THE AX has received and deserved great credit as the tool of the pioneers. But it was really explosives that opened the country with a bang

ing. The first official saltpeter house was in operation in Boston by 1640, but in the hinterlands powder making was a household chore. Before the Revolution the British tried to stop powder making in the Colonies, and powder bootlegging became second in popularity only to smuggling. Even so, there were not enough powder mills in operation in 1776 to keep General Washington supplied with samples. The capture of British ammunition dumps and ammunition ships was not so much a part of the fortunes of war as an essential and dependable part of the armament program.

Then America started to grow. The mountains had to be conquered, the rivers tamed, the mineral resources tapped. In Europe the dangerous soup called nitroglycerine had been discovered by Prof. Ascanio Sobrero in 1846. Though it was too dangerous to handle, many Americans, from safe-crackers to engineers, were using it. It is a matter of record that more than one safe-cracker sailed out of a bank on the door of the vault he had successfully blown, and many a good powder

monkey in mine and tunnel came to the same fate.

Not until Alfred Nobel found that he could tame nitroglycerine by mixing it with kieselguhr did it become popular. Kieselguhr is an earthy, absorbent substance that takes the touchiness out of the soup by converting it into a solid so insensitive to shock that it has to be fired by a cap. He called his new product dynamite, and the first plant in the United States to manufacture the explosive was the Giant Powder Company of San Francisco, Calif., which began turning out the magic sticks in 1868.

After that the explosives industry in the United States grew with the violence of one of its own explosions. Where before such fabulous men as James Howden in the West and George Mordey Mowbray in the East had brewed their own hot soups on the spot to drive through the Central Pacific Railroad tunnels in the high Sierras and the Hoosac tunnel in Massachusetts, now any powder monkey could light a fuse and run. Where before mines were sought by prospectors with pick and shovel, now they could be found by dynamite exploration.

Everything expanded tremendously. But not without an argument first. Labor gangs feared that dynamite would take jobs away from the pick and shovel men. Railroads refused to haul the stuff for fear they would lose a few trains in transit. For a while it looked like dynamite was going to be up against a boycott through which it could not blast.

Dynamite's dynamic salesmen went to work. They bit sticks of dynamite in half with their teeth, pounded it on rocks, broke log jams, blew out stumps, and dug basements in solid rock. When railroads needed dynamite for their own construction work, the salesmen refused to sell until the lines agreed to carry the cases in their



"Poor Emory. Everything he knows has just been revised and reissued in the light of modern research and discovery!"

own cars. Once the railroads carried dynamite for their own work, they had no excuse to refuse its transportation for other contractors. Labor saw that without dynamite the really big jobs like opening the Mesabi iron range, building transcontinental roads, opening rivers and harbors to navigation, coal mine stripping and other big projects would die aborning. So they withdrew their objections. The boom was on.

By the time the twentieth century had rolled around, the manufacture of high explosives for commercial purposes was big business, with more than a score of companies manufacturing the potent stuff. Explosives were taking many forms. There were explosives made with cellulose that looked like gelatine and were waterproof. Ammonium nitrate packed a terrific wallop, and so did trinitrotoluene (TNT), made of nitric acid and a coal tar derivative. By using any one, or a combination thereof, an explosive engineer could achieve any effect he wanted, from demolishing a mountain to carving a stone statue.

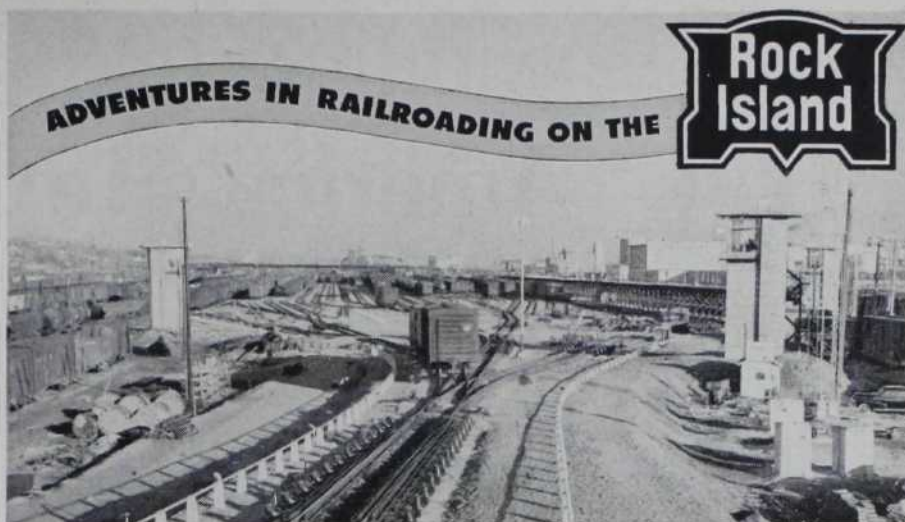
The use of 61,000,000 pounds of dynamite to complete the Panama Canal by the fall of 1914 marked the coming of age of commercial explosives.

By-products are tame

A STRANGE feature of the explosives industry is the way it has begotten prodigious offspring. Paints, lacquers, celluloids, plastics—the list goes on for yards—grew like Gargantua, and exceeded their hotheaded parent almost from birth. There is considerable reason behind this. Far better that an explosives firm play with cellulose, hunting for a blast and ending up with a beautiful fabric, than for a textile mill to try the same experiment and end up with an explosion.

Today's annual production of dynamite, still far short of requirements, runs more than 500,000,000 pounds, with scarcely an industry that is not benefited by it. About 63 per cent of the high explosives are used in mining, another 33 per cent for construction work of all kinds, and the remaining four per cent for demolition work, stump blowing, breaking ice jams, war scenes for the movies, and countless other chores. Even so, this acorn, now grown to oak, has dropped so many other rich acorns of industry that it stands almost lost and forgotten in its own forest.

—GEORGE SCULLIN



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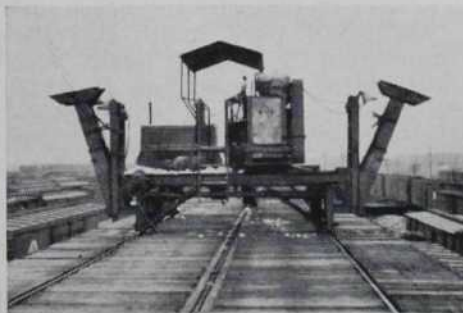
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THE ROAD OF PLANNED PROGRESS



America's Textile Saga

ENGLAND lost her virtual monopoly of the European woolen market early in our colonial period. Thus it was her need for new markets that became a spur to the colonization of the New World, and eventually led to the prohibition of woolen manufactures in the American colonies.

Even though native wool was scarce at first as well as short and coarse, the household manufacture of homespun began almost as soon as the first settlers had cleared the land and set up house-keeping. Later, to encourage this infant but important industry, some colonies offered bounties for the weaving of cloth. Rhode Island placed such a high value on wool that it was made the standard commodity by which rates were assessed.

Despite such handicaps as inferior wool and primitive tools, homespun came into the limelight as early as 1699 when British woolen manufacturers complained to Parliament that the colonists were exporting woolsens. Parliament, deciding that it had been too lax, prohibited the colonies from shipping woolsens anywhere; revised laws to encourage colonists to ship their wool to England; prohibited the export of British sheep to the colonies and lifted the export tax on woolsens shipped to colonies in hopes that lower prices might discourage the production of homespun.

Homespun, however, continued to cut deeply into colonial imports of British woolsens. Merchants began to give wool to country people to weave into cloth or knit into stockings and mittens. Peddlers carried the trade in homespun to all parts of the country. Shortly the transition began from household manufactures—primarily for family consumption—to the household industry which produced woolsens primarily for sale. Merchants and small manufacturers organized the new industry. The transition was accelerated by the Revolution. When the war was over, the household industry was the backbone of the country's woolen industry.



Wool was largely a home industry until 100 years ago

Sporadic attempts were made before and after the Revolution to establish woolen factories. Most ended in failure. Our household industries produced nearly 10,000,000 yards of woolsens in 1810, while the 14 mills and manufactories we possessed at the time accounted for less than four per cent of the nation's woolen production. During the second war with England the number of factories increased, although all were small. But the household industries were also stimulated. Connecticut, in 1814, was the leading wool manufacturing state, with 25 mills and 1,200 operatives.

Woolen mills using steam were established in Providence in 1812, in Pittsburgh in 1817, and in New York in 1820. But the history of today's woolen industry began in 1830 with the establishment of the Middlesex Company factory at Lowell, Mass. It was the first woolen factory to adopt the integrated system, started by the cotton mills at Waltham, which performed all operations under one roof. Introduction of the Goulding Conden-

ser, which permitted continuous feeding of the carded fiber from the automatic carding machine to the spinning jenny, helped make this new factory possible. An American invention for cleaning wool gave another boost.

Within the next few years the country more than doubled the machinery used in woolen manufacturing. The first power-driven knitting machines were introduced. However, it was in the period between 1840-60 that the factory system in the woolen industry firmly established itself.

By 1860, there were woolen mills in Texas, Oregon and California. Massachusetts was the top wool producing state, Pennsylvania second.

In 1860, our wool manufacturers used up 85,000,000 pounds of wool. A few years later the figure jumped to 200,000,000 pounds. By 1890 the figure stood at 386,000,000 pounds a year. Last year domestic mills consumed almost 1,000,000,000 pounds and turned out 500,000,000 linear yards of wool woven fabrics.

—LAWRENCE DRAKE

The Line that Lets Everyone into the Act

(Continued from page 48)

ter, for example, heavy snows obscured the runway markers. But Wisconsin Central went blithely—and securely—on its way, using discarded Christmas trees spaced along the runway as markers.

The staff have become unofficial weather bureaus throughout the system, supplying forecasts not only for private fliers in the region but for the citizenry as well.

In relating the story of Wisconsin Central, one must always come back to people—to individuals like Henry Meisel, a farmer near Clintonville, who describes himself as president of the Amalgamated Association of Stamp Collectors. For each new stop on the line, Meisel designs first-flight cachets and mails them to hundreds of people. He has bushel baskets filled with this pioneering mail in his farm home and when asked what he plans to do with them, replies: "Keep them, of course"—even at the risk of being forced, with his family, into the barn. He made his first flight when the Green Bay station was opened, and he wore overalls—a fact of which airline officials are proud. It somehow symbolizes its character.

Fine esprit de corps

ONE must come back, too, to the personnel . . . to men like Del G. Hendrickson, the operations manager who pioneered in the early days of commercial aviation and remembers when pilots used to navigate with cigars ("one cigar to Chicago, two cigars to Cleveland, etc."); like First Officer Francis Van Hoof, who still gets small gifts from a little girl at Stevens Point he talked out of being sick on her first flight; like Capt. Duane Petit, 65 mission veteran of the air war over Germany, whose reactions to his job are: "On what other line would the passengers feed you cookies?"

And then there's the story of the little old woman who was the sole passenger on a flight out of St. Cloud one day. All the seats but hers were jammed with express packages. The pilot was seeking a place to put one last package when the lady intervened: "Here, young man, I'll take that on my lap."

"She was probably another stockholder," says Vice President Carr.

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I Sat Too Many Out

(Continued from page 35)

pulling up too close. It was at that point, after the second lesson, that I was closest to quitting. Trying to remember all these things seemed ridiculous and I felt that it would be easier to land a Stratocruiser downwind than to execute a fox trot properly.

"There will come a time," Miss Yorston, who was now my regular teacher, said, "when you will relax and enjoy yourself without giving a thought to any of these rules."

She was right. Like most good teachers, she was the soul of sober sympathy when I fell over my own dogs; she enthused when I did anything correctly and I soon got to know that when she clicked her tongue and winked her right eye at the same time, it meant that I had just made a monumental error. If she smiled half to herself, wagged her head in time with the music and murmured "One-two-three-an-n-d-one-two-three-an-n-d..." I was doing fine.

When I tired and wanted a cigarette, she sat with me and told me about the wonders of the Murray system. There are studios all the way from Bermuda to Honolulu. No matter how well an instructor-applicant dances, she must undergo a course in the Murray technique before she is permitted to teach her first pupil. She must also be checked psychologically because it wouldn't do to have tantrum clashes between clients and teachers. The instructors collect a part of each fee and they average \$55 or \$60 a week. There is a rule against giving more than six lessons in any one day. Sometimes, when the studio closes at ten p.m. the girls—no joke intended—go out dancing.

Almost 50 per cent of the instructors eventually marry a student or a male instructor. The girls aren't interested in casual flirtations no matter how attractive the client because it can cost them a good job with no compensatory factor. Every fifth and tenth hour of instruction is interrupted by a supervisor, who dances with the student to check whether the instructor is giving the pupil the full treatment and to locate personality clashes before damage is done.

Tuition ranges from \$191 for 25 hours to \$5,500 for the 1,000 hour course, with lifetime privileges. There is a ten-month payment plan for those who want it, and, for

those who pay cash, ten per cent is taken off the list price. While I was there, a big class of blind veterans from Halloran General Hospital was taking the 25 hour course under the GI Bill of Rights. They made one dub with sight feel ashamed. I couldn't imagine how they danced without hitting walls until it was explained that they listen to the echo of their own steps and that tells them when they are close to an obstruction.

Before my third hour of instruction I was introduced to a Mr. Martin, a man more than 70, who is taking the lifetime course. He travels around the country and drops into a studio almost every afternoon for an hour of relaxation and exercise. Blinking amiably behind thick glasses, he said: "If anyone tried to add up all the dancing mileage, I think that the receptionist, Miss Townsend, would come in first, I'd be second and Arthur Murray would be a poor third."

In my fourth hour of dancing I broke down and admitted that it was fun and a challenge. My leg muscles no longer ached. I ate better and slept better. I also did a little domestic bragging. But the deeper I got into the subject, the more I realized how little I knew and the more I wanted to learn. I became intolerant of my own mistakes and swore under my breath. I was chagrined to discover that, while I had no trouble picking up new steps, I couldn't remember yesterday's lessons at all.

Miss Yorston set me straight. She

said that there is a curve of learning. The average student learns quickly at the start and, each succeeding day, he learns less quickly. She told me that it isn't a bit unusual to forget what had already been mastered, and that we would start each new day with a fast refresher of the old lessons.

By now I had been through all the basic steps of all the dances. What I liked least was jitterbugging and, next to that, the samba. I didn't care much for the tango either. My favorites, in order of preference, are rumba, fox trot and waltz. Miss Yorston was sorry that I didn't like jitterbugging because my chart showed that I'd do well carving an Axminster. She didn't realize that I am keenly aware that I am a little guy with a form like a soft-boiled egg and that my hair has splashes of gray—my daughters refer to me as Slop-Along Cassidy—and I just can't reconcile that picture with a mad jitterbug dance. My objection to the samba is that it is too fast for me. I don't care for the tango because the rhythm is broken and it requires long steps, then short, staccato steps, and the man is supposed to maintain a smolderingly passionate expression while doing it. To that, no dice.

Rumba is best for me because you can dance it all night long without moving off a collar button. Besides, I like Latin music. However, lest I make it sound easy, I discovered that the hips are supposed to be an adjunct to the feet and that the proper execution of the rumba entails synchronizing my creaking joints to my metatarsals.

The waltz is far and away the

Arthur Murray says:

MOST of the time that Bishop was studying at our New York studio, I was in the West Indies tracking down some refinements of the new Mombo—a dance which will soon sweep the country. However, I received almost daily reports of Bishop's progress. The analysts say that his disdain of dancing didn't worry them, but that his complete lack of confidence did. It became necessary to show him that he, too, could lead a girl safely, correctly and with pleasure around a dance floor without—

as he puts it—falling on his face.

Too much flattery would not have accomplished this. The best thing was to analyze Bishop to *himself*, and that's what was done. They tell me that he now knows the fundamentals.

What has been done for Jim Bishop can be done for any business man, old or young. One of my best pupils is a man well over 80 who might have made his final exit ten years ago had it not been for the exercise he gets from dancing.

most graceful of the dances. Anyone can learn the steps, but the graceful sidesway is lacking. It was while Miss Yorston was trying to teach me the sidesway that I remembered the technicolor movies which showed the big ballroom where the Archduke Franz Ferdinand and his court waltzed with the billowy belles and made it look so charming, so romantic, that even the male moviegoer sighed. Now I realized they had sidesway.

In the seventh hour of instruction, Miss Yorston felt that I was ready to solo and she took me into the big ballroom where students and instructors danced in the presence of others. A fox trot was on, and my teacher whispered to a male teacher and I was told that I should dance with a 15 year old girl.

Have you ever wrapped your hand around a fresh oyster? That's what this youngster's hand felt like. She had a thin dress on and when I placed my right hand on her skinny back ribs, I had a feeling that she would never live this one out. It was a fox trot, but you couldn't tell by my partner. She shook in spasms and I didn't know whether to go into the samba with her or lay back for bets.

I was frightened, too, but mine is not the exterior kind. I couldn't remember the simplest steps taught to me and I stumbled, shuffled and retreated to the point where I took tiny steps forward. I tried to strike up a casual conversation with the child, but all she did was grunt. This one dance taught me that I now knew nothing. If it was designed to take the conceit out of me, it worked.

We walked back to our private room quietly. "You did all right," Miss Yorston kept saying. "You weren't bad at all. You need only two things: confidence and a firmer lead." I told her that my wife had always been a great natural dancer and that I had hoped, by next week, to surprise her by going to a dance. Miss Yorston said I would be ready by next week, but that I had to concentrate on leading with body bends and with the right hand steering the girl's back.

We worked on that for the three remaining lessons.

There was no diploma. I said good-by to Miss Yorston and Miss Ashmore and they said: "Oh, don't say good-by. Come back now and then and improve your dancing."

When I got home, I turned on the radio and swept my wife into my arms. After two swings around the kitchen, I realized something. You know what? That woman can't dance at all.



New windows to Wonderland...

OLYMPIAN *Hiawatha* CHICAGO • PACIFIC NORTHWEST



New private rooms. Work comfortably and sleep soundly in a Roomette, shown above. Bedrooms (right) open to form connecting suites for business conferences.

THE *Milwaukee* ROAD

Private-room sleeping cars with glass-enclosed Skytop Lounge on the Milwaukee Road's Olympian HIAWATHA are perfect for cross-country living.

Double bedrooms have enclosed lavatory and full length closet. Roomettes for single occupancy provide room facilities in compact form.

The Olympian HIAWATHA also carries thrifty Touralux sleepers and 48-seat Luxurest coaches; diner and Tip Top Grill with snack section and cocktail lounge.

H. Sengstacken, Passenger Traffic Manager, Union Station, Chicago 6, Ill.



South America's Race for DP's

(Continued from page 41)

and Ukrainians. The groups prepared lists of relatives and friends in DP camps and the Argentine *Dirección General de Migraciones* culled from them upwards of 65,000 "suitable" names and skills. The lists were flown to consuls abroad and the consuls sent recruiters to the camps.

Transportation was provided by IRO which, between July, 1947, and the end of 1948, spent \$5,000,000 delivering DP's to Argentina. As for the non-DP immigrants—also reached through the society lists—Argentina paid their bill. It has amounted to slightly more than \$21,000,000 to date.

A large, modern hotel—*El Hotel de Inmigrantes* in the port area of Buenos Aires—has been reserved for the newcomers. In the hotel, which can accommodate 2,500 people, they are well fed (as is everybody in Argentina), briefed on the basic laws of the land and "processed" in general. For their benefit, much red tape has been eliminated and in three days they receive permanent-residence papers; it used to take a year.

Employers visit the hotel daily, run through the registers and select the workers they need. No immigrant remains in the hotel more than a few days—in Argentina there are far more jobs than people; in Buenos Aires about half the workers hold two jobs.

About 50 per cent of the DP's in Argentina have gone to the rural areas, to the vast farms and *rancheros* and *estancias* on the sprawling, flat pampas. Of those remaining, 75 per cent have gone to the industrial centers, the balance to the cities.

They receive all the rights of the native-born except the right to vote, a privilege they will have when they become citizens.

As far as I could learn, the DP is tremendously pleased with his lot in Argentina. As for the Government, it is apparently more than pleased. President Juan Domingo Perón told me in an interview in his office in the Pink House:

"At a time when we are developing our own industrial program we need every good worker we can find. We have opened our doors and our hearts to these victims of World War II. Many have come here already and many more will come in the future. These people ...

have satisfied us that they are superb workers and can add much to our country's progress. Their influence already has been felt markedly."

The influence of the DP has been felt markedly in other countries, too.

Particularly acute was Venezuela's postwar situation. When the war was in progress Venezuela was called upon for all the oil she could produce. Eager to meet the demand—it meant precious American dollars, of which Latin America is critically short—she brought the workers from the farms and put them to work in the oil areas. Oil production boomed and dollars rolled in. But food production all but perished. The country had to import virtually everything her people ate. Ironically, the food had

Taxing is an easy business. Any projector can contrive new impositions; any bungler can add to the old. But is it altogether wise to have no other bounds to your impositions than the patience of those who are to bear them?—Edmund Burke

to be bought with the oil dollars.

When the war ended, the demand for oil stopped. So did the avalanche of dollars. But the workers refused to return to the farms. Desperate, Venezuela went to the DP camps. During 1948, the country became home to 12,000 DP's—about half of them were flown over from Frankfurt and Munich. They went to the farms.

"It was like a miracle," a Venezuelan business man told me. "In a time so short that everybody was astounded, greater supplies of food were flowing into Caracas and the other cities. Our country is on the way toward normalcy—from the food standpoint, at any rate—thanks to the DP's."

Some DP's have contributed more than food to Venezuela. One solved a weighty social problem in a large city. The DP, who had run a tailor shop in Warsaw before the war, took work in a cleaning and pressing store. On his first day he saw his employer dump a man's suit into a tub of soapy water and proceed to scrub it briskly.

"My God!" the DP exclaimed. "What are you doing?"

"I am cleaning the suit of a customer," was the reply.

"You'll ruin it."

The employer shrugged and continued scrubbing.

"Won't it shrink?" the DP asked.

"I think so. They always shrink. Perhaps you know a better way to clean a suit?"

"I certainly do!"

He taught his boss the modern methods. Customers can now have a size 42 suit cleaned and get back a size 42 suit.

Business is thriving now and the DP has a 50 per cent interest in it. . . .

Rich, always-independent Chile, which never before had mass immigration, also entered the race early in the game. She appointed a special minister, gave him a staff and sent it to Europe to bring back DP's. To date 2,000 have arrived and arrangements have been made for 3,000 more.

A peculiar situation arose when the first shipment of DP's arrived at Santiago. Officials met them at the pier, then realized there was no place to bring them. Meetings were held hurriedly and before nightfall a decision was reached. Next day, while the DP's stayed at hotels, workers built quarters for the 450 of them beneath the concrete grandstand of the National *Futbol Stadium*.

Peru, too, sent a special mission to Europe for DP's. Some 1,500 have arrived thus far and several thousand more are on schedule.

Peru's need was for skilled workers in all fields. An official told me: "We have plenty of people in Peru (population, slightly more than 6,000,000) but most of them either don't know how to work or are not willing to."

Be that as it may, Peru had felt the same trend as most countries during the war: diminishing populations in the rural sections and increasing populations in the cities.

The DP was Peru's answer to her need for farm hands. But in many instances he has done more than merely work the farms. He has introduced new methods, pattern farming, soil conservation and has brought about sizable increases in crop sizes, varieties and incomes.

So pleased with his first DP family was rich landowner Munos Najar that four weeks later he returned to the Lima immigration center where DP's are housed on arrival—the converted military college on a bluff overlooking the Pacific—and hired eight more. Juan Amat, another important landowner, started with three DP

families. Now he has 16. A third farmer was so pleased with the work of a Polish DP that after three months he gave him a one-third interest in his farm.

The DP's in Peru, as in other Latin-American countries, have demonstrated more than agricultural skills. There is the case of the 35 year old Hungarian tailor who settled in Lima with his wife and their child. The tailor set up shop in a tiny second-floor flat just off the Plaza San Martin and announced he was in the business of making men's suits to order. His early customers were amazed: seams did not open, buttons did not fall off—unheard of in Peru.

Helped many businesses

HOTELS, restaurants, garages, general merchandise stores and scores of other establishments have seen improvements in business since the DP has come along. One large hotel in Peru had always had trouble with its employes. Somehow, they never did things right. Guests constantly grumbled. But it's different now. The hotel hired a DP as a steward, but he wasn't around long before he noticed that things were not right. He set out to find the root of the trouble—and did: the staff's immediate superior, a second cousin of one of the owners, was the most inefficient of the lot. The DP presented his diagnosis to the management.

Today, he is assistant manager of the hotel, earning a good salary. Hotel records show a ten per cent increase in business.

As in the other cases, great opportunities have been dangled before the prized DP's eyes by worker-short Bolivia. A relatively small number of DP's have been lured to that country—but the number is big enough to be felt in a land with a population no greater than that of North Carolina.

Here, perhaps, the DP has found the most promising avenue to personal advancement and wealth. One of the most bustling scenes in all Latin America is the one at Santa Cruz, due east of the capital, La Paz. Santa Cruz is the point from which the new railroads are being built to Brazil and Argentina—the first step in a program that promises to make Santa Cruz one of the busiest centers on the continent.

Said an IRO official in South America: "It is plain that there is a happy meeting between the DP and his new homeland in South America. Both need each other."

MAN'S *humanity* TO MAN



IN THE shadow of Colorado's towering Pike's Peak stands a monument to man's humanity to man, the Penrose Cancer Hospital. It is the gift of a business man who wanted to found an institution where his fellow men, from all walks of life, might find relief from the ravages of our number two public enemy—cancer.

Colorado Springs is proud of this hospital. It will never forget the public-spirited man who made it possible. But Colorado Springs is not exceptional. Other men in other cities have made their contributions in their way to needed community projects.

Sometimes one man has carried the load. Frequently, it has been through the combined efforts of many that the job has been done.

It's this spirit of teamwork that builds good communities. Business men know this. That's why you'll find them working together, most often through their chambers of commerce, for the greater good of their communities.

YOU will find it easier to participate in such projects if you work with the business and civic leaders of your community. So if you aren't already a member of the team, get in touch with your local chamber officials. They will give you full information.

**Chamber of Commerce of the
United States of America
WASHINGTON 6 • DC**



Odyssey of a Researcher

(Continued from page 29)

standard of living, but widespread poverty rules instead. Much capital is in useless hoards of jewels, gold and silver.

Communism, however, has so far made little progress, being largely confined to a few militant labor leaders who literally have had the breath knocked out of them in any test with government. Whether or not this continues to be true rests largely upon the continuing popularity of Prime Minister Pandit Nehru and his deputy, Patel, in a government which is new and therefore relatively weak. Therein lies much of the dynamite. Even by Indian standards, a third of her people do not get enough food. For India, increased productivity, both of farm and factory, and a stable government hold the key to peace and the leadership of Asia.

American know-how, capital, and industrial equipment are desired; but the fear of exploitation is deeply ingrained. Letting Indian capital share ownership of new plants will not only quiet this fear but will mean better relations with both government and the general public. Nehru recently has announced that foreign private capital will be welcomed in India *subject only to the same restrictions and regulations that apply to Indian capital*. Reasonable facilities are pledged for the remittance of proceeds and earnings to the investing countries, with assurance of "fair and equitable compensation" should the Government take over any foreign enterprise.

India is a land of tiny fields and patch agriculture. Little is put back into the soil. Most of the land not owned by small holders is still held by the jagirdars, medieval landlords, who take as much as 80 per cent of the crops raised on their vassal holdings. In some areas the jagirdars own 90 per cent of the land and have life-and-death powers over their peasants. It is the announced policy of the party now in power to carry out land reforms.

Since jute products make up roughly a quarter of India's exports, we visit a jute mill on the Hoogly River and follow the raw material through to the finished burlap, baled and ready for export. In spite of the din, off-duty workers sleep soundly under machines, on walks, on bales of burlap and even outside on piles of stone.

Although the country is predom-

inantly agricultural, she still has to import rice, wheat and other basic foods. Her lack of self-sufficiency speaks volumes on the need of modernizing her agriculture, which can lead not only to self-sufficiency in her primary foods but should also make available a sizable surplus for export.

Of the 400,000,000 people in India and Pakistan, seven eighths live in 750,000 villages while the remaining 50,000,000 live in approximately 2,000 cities and towns. Even the farmers live in villages. There is a marked trend toward cities as industrialization begins. Some of the more progressive manufacturers and mill operators have built company chawls or barracks for their laborers with a kholi, a one-room unit, about ten feet square, assigned to a family. Ten people to a kholi is common.

Illiteracy is estimated at 90 per cent with purchasing power as shockingly low. Until further in-

I am for free commerce
with all nations.

—Thomas Jefferson

dustrialization, better roads, and education come, the market for most western products is largely confined to about 30,000,000 of India's people.

Political changes have brought little change of outlook to the majority of the people, but great changes in outlook of the urban intelligentsia and the small but growing urban middle class. While purchasing power has changed little in the villages, it has increased considerably in urban areas.

Although fundamental buying motives and wants are the same the world over, differences in customs, religion, social organization, and outlook affect preferences and buying habits in India. Caste, and religious rites or beliefs, prejudices, differences in dress, multiple languages, household management methods, and climate must be taken into consideration.

Since the war, our exports to India have been largely necessities: machinery, vehicles, chemicals, petroleum products, textiles, wheat, flour, iron and steel. This will be true probably for the next

three to five years, but as food shortages and urgent industrial needs are met and the dollar deficit remedied, there will be a steadily increasing demand for American consumer goods: radios, pens, typewriters, electric shavers, cosmetics and toilet goods, canned foods, malted milk, bicycles, watches, soft drinks, cameras, films, refrigerators and many other goods. I "bet long" on India as a market if a stable and aggressive government is maintained.

Marketing methods are crude and obsolete. Grading and standardization have made little headway but are now being encouraged by Government. There is a marked lethargy of middlemen to adopt new methods. Wholesale distributors have been largely indent houses carrying little or no stocks—the prototype of our "desk jobbers." Foreign concerns, particularly American, are urging better methods of distribution and some success is being attained. American manufacturers should insist on their representatives carrying adequate stocks. Marketing research is in its infancy, but the larger Indian and foreign businesses are sympathetic to it and eager for its rapid development.

Retailing is confined to bazaars and relatively small shops. Mass retailing in the form of chains, supermarkets, department stores, and mail order houses has yet to come.

Advertising is quite a chore. There are 14 basic languages and more than 100 dialects. There are only about 6,500,000 regular newspaper readers. Circulations of newspapers are small and there are few good ones. No paper has yet reached a circulation of 100,000. The same is true of magazines, and there are practically no good trade papers. One of our magazines uses four times as much paper as the entire Indian press. Annual advertising expenditures for all of India and Pakistan combined total only about \$10,000,000, of which about seven tenths is spent in press advertising.

Commercial radio does not exist here and only 360,000 sets are in use, but it is pretty widely agreed that there is a potential market for 10,000,000 radios in the next five years and the market would be a rich one for the manufacturer who could bring out a good radio to retail under Rs. 100 (\$30).

Motion pictures and cinema slides have high importance as advertising media for two reasons—high illiteracy, and the cinema is about the only public place where

the various castes will attend together. There are about 1,300 motion picture theaters, with the number expected to increase rapidly. Annual attendance has already reached about 338,000,000. Films of 500 to 1,500 feet and slides offer the best possibilities at present. Costs per person reached are relatively low and anything approaching complete coverage is impossible without the cinema. Some excellent films are being made in India.

SINGAPORE still has its harbor studded with sunken ships, monument to its fall to Japan. Malaya has a sizable war on its hands with Chinese communists and a few Malay followers. Their objective is to disorganize the mines and rubber plantations. Planters in Singapore for a rest leave no doubt as to the deadliness of this man-hunting game. There's a price of 500 Straits dollars (\$250 American) on each bandit brought in dead.

Communism is the second of Malaya's fears. The first is, "What's going to happen in America?" The source of more than half of the world's natural rubber and a third of its tin, Malaya fears depression and synthetic rubber in the United States, which is by far her largest market, taking about two thirds of both commodities. So long as America continues to buy her normal share of tin and rubber at "fair" prices, it is felt that Malaya will not go communist. Otherwise, "anything can happen here."

WHILE Great Britain is the center of the world's land hemisphere and birthplace of the Industrial Revolution, Australia is the center of its water hemisphere and is still a pioneering nation. But its Government and labor are already worshipping that false idol of Security from Conception to the Crematory while the Temple of Opportunity is largely deserted. Labor is tardily beginning to realize that you can't divide up goods which are not produced, regardless of bigger pay envelopes, shorter hours, and time-and-a-half for more days. The realization is still a grudging one.

Fundamentally short of capital, industrial equipment and some basic raw materials, Australia has a lop-sided economy based on three agricultural sources—wheat, sheep and cattle. Such an economy

is subject to violent shocks. The raw materials industries are entirely Australian, while manufactured goods are either imported or made in Australian branch plants of foreign manufacturers. Business men are export-minded on raw materials and import-minded on manufactured goods. They have been too long accustomed to supplying goods for which the buyer seeks the seller but buying goods for which the seller seeks the buyer aggressively. This deeply in-



grained psychology means that both plants and know-how must come from overseas if manufacturing is to expand rapidly. The biggest recent industrial event is the birth of the Australian-made Holden automobile, with a top production objective of 20,000 per year. Even on this scale, if attained, it can only be successful under heavy tariff protection.

It seems to me that both employers and employed have a feeling of frustration. Postwar reconstruction, industrial expansion, and productivity are lagging. Government says it wants capital and plants to come in but discourages all comers by denying them any assurance that they can take out either capital or earnings. Profits seem to be considered immoral; are strictly limited, and can't be taken out of the country. Companies already established do not expand, renew their equipment, or sell aggressively. They can make the meager profits permitted without doing so and have no motivation to expand or improve.

Assuming 70,000 migrants a year and an increased birth rate, Australia expects a population of 15,000,000 by 1985. In my opinion, there is small likelihood of either materializing unless the basic policies and outlook of government, labor and management change considerably. To cover such a small population, scattered over a continent, either by adequate distribution or advertising, is quite expensive as compared to the cost of covering our concentrated markets.

The railroad system is inefficient, and for a reason particularly surprising to Americans. Track gauges are different between the states. In traveling or sending freight from Sydney to West Australia six transfers are necessary, six loadings and unloadings. These handling costs are unconscionably high. Lack of any central planning before the states were federated into the Commonwealth of Australia in 1900, and state jealousies are responsible. Only now are the first steps being taken toward unification of the railroads into a standard gauge system. This should do much to lower the cost of distribution.

Canberra, the capital of Australia, like the rest of the country, has plenty of rabbits. Fourteen workers liquidate 200 rabbits a day within the city, and all because a single rabbit hutch caught fire in 1863 and most of the rabbits got out.

For many years we have been importing an average of 70,000,000 rabbit skins annually from Australia. Because of their excellent felting qualities, they are the main fur going into felt hats. We paid Australia \$21,614,506 for rabbit skins in 1947.

BACK in Los Angeles, we know we're home, for almost the first thing we see is an example of the kind of organization which has made America great, and contrasts so sharply to the disorganization and waste of human energy throughout so much of the world. An endless string of automobiles is moving through a "Washing Emporium." Our car joins the line. Almost before we're out of the car, vacuum nozzles and cleaning cloths are at work on cushions, floor and glass. Three minutes and 50 seconds later the car is ready.

"One dollar, please." "Thank you."

The Other Guy Hogs the Road

(Continued from page 38)

companies rise in dismay at changing bus routes.

It took New Haven, Conn., eight years to install a system of one-way streets in the downtown business area, and the system is still facing annihilation at the hands of merchants along a single street.

One-way streets for New Haven first were proposed by a new city planning commission late in 1940. The plan was jeered at as a screw-ball idea. In addition, the city's two-way street car tracks prevented its being tried.

But by last year the tracks were gone. Traffic jams had become so bad that the one-way plan was put in to cover 40 blocks in the downtown district and a like area on its edge. Everyone agreed that the system worked—except a group of merchants on one of the older business thoroughfares. They claimed that their profits were cut 30 per cent by parking bans and new traffic routings.

Curb parking is credited with being the main cause of central district congestion in most cities. The traffic engineer marks off spaces for trucks to load, and for buses to pick up passengers. He eliminates parking during rush hours, often cuts out downtown parking entirely. Cities like Chicago and Philadelphia have such regulations. More and more cities are putting in rules against all-day parking downtown.

The idea is to provide more park-

ing space for customers. Yet the merchants and those who work for them are the first to howl.

According to Theodore Matson, head of the Yale Traffic Bureau, which turns out a high percentage of the country's traffic engineers:

"No parking ban is practical until the policeman on the beat can answer the question, 'Where can I park my car?' In a small city, he ought to be able to point out a parking lot or garage less than 500 feet away, and, in a large city, less than 1,000 feet."

But important as good parking is to business and civic interests, they have difficulty getting together. Cities don't have the money. Business men frequently are kept apart by jealousies.

Yet crises in scores of downtown areas are now driving factions together. A survey of 44 cities shows about half of that number are coming up with answers. Sometimes a private corporation does the job. This happened in San Francisco when a 1,700 car subterranean garage was built at a cost of \$1,550,000. Sometimes the city owns and operates the facility. Cleveland, for example, has a municipal parking lot on the edge of the city, with bus service downtown. Sometimes the storekeepers themselves show what the business man can do when he tackles such a problem.

Merchants in Allentown, Pa., for example, have organized a corporation called Park and Shop,

Inc., and issued 2,500 shares of stock at \$100 a share for a total capital investment of \$250,000. Forty business men subscribed \$141,000. Leaders in the plan then drew a circle with a 1,000 foot radius around their highly concentrated shopping district. Inside the circle, they bought seven parking lots. Parking is free to customers who make purchases of \$1 or more.

Deliveries make complications

IN CITY streets, trucks probably draw more blasphemy from the autoist than any other type of frustration. The scientific solution? Night deliveries and off-street loading zones—behind buildings, in alleys, and loading terminals on the edge of the downtown area. Objections? They pour in from building operators, businesses and industries, which have to hire extra help.

The New York garment district, where a \$2,000,000,000 industry is sardined into an area half a mile square, is constantly jammed with trucks. Yet, when police traffic experts suggested staggered truck deliveries, the patient threw the medicine right back in the doctor's face. Police and industry leaders set up staggered deliveries from six a.m. to nine p.m. Raw materials came at six a.m., then waste trucks. Stated periods were set aside for trucks delivering piece goods, sponged goods, dyed goods, coal, oil and small packages. But the hitch arose in the morning with the arrival of raw materials. The manufacturers insisted on inspecting these materials themselves. And they wouldn't get up at four or five in the morning to get there. A later trial of the plan is expected to remove this bug, and others.

Many cities are regulating trucks. Los Angeles, Houston and Detroit have effective loading restrictions, and Detroit is now planning to establish three big central truck terminals.

When other measures fail to speed up traffic in the downtown area, the engineer sets up what is known as "all-rolling" traffic. With this, cars can't park or even stop to unload; streets are clear from curb to curb and traffic rolls one or both ways with a minimum handicap. Many cities use the system; Chicago, Boston, Pittsburgh and Providence are notable.

Another way to ease downtown jams is to make better use of the transit system. Leave your car at home and go downtown on the bus, street car or trolley coach, argue the transit people. The only trouble



is that few autoists will change to buses. And considering the discomfort of many a crawling, bucking, hard-braking, stop-and-go public conveyance, a fellow can't blame them too much. However, say traffic engineers, this is often the fault of a transit operator, who has changed from street cars to buses but kept the old street-railway thinking.

This was true in one midwestern city, which carried on a five-year fight with the transit company, run by an ex-railroader called "Roundhouse Jones." When buses replaced street cars, Roundhouse still ran them around the same old routes with loops around the block, left turns at congested corners, and stops in the middle of even the busiest streets. One-way streets were a crying need, but in such a transit maze these were out of the question. And would Roundhouse change his routings? Not on your life! There came a time, however, when Roundhouse wanted a fare rise. Then the city saw its chance. And the upshot of a knock-down, drag-out fight was a new system of routings.

Fringe parking helps some

INTELLIGENT transit officials are improving bus travel everywhere. They by-pass congested sectors and run expresses down the boulevards. They set up shoppers' specials. And they run shuttle buses to fringe parking lots on the edge of town. These fringe parking lots have failed in many a city; in Dallas, New Orleans, Boston, Chicago and Hartford, they've taken hold. But it called for a lot of selling.

Hartford's 600 car fringe parking lot was saved only by a whirlwind promotion campaign. It happens that Connecticut's capital city has a skilled promoter in William "Bill" Savitt, local jeweler. Savitt got installment-plan pledges from merchants, sold them thousands of parking tickets to be given out to customers, and ran full-page ads in the newspapers:

"What Hartford Needs is a Good 5-Cent Parking Lot! Here It Is!"

One of the best measures for easing downtown congestion is to by-pass the downtown area with all through traffic. But this, too, often stirs up a howl. In downtown Charleston, S. C., shoppers were staying away in droves, so the traffic department routed through travel around the business district. Merchants complained and one of their letters to a newspaper found its way to the editorial page.

Cafeteria Garage

OGDEN, Utah, boasts one of the most unusual garages in the world. It's the kind of garage where the customers pay 50 cents an hour just for the privilege of puttering around and getting their hands greasy.

Until a few months ago, Lavon M. Baur, owner of the Baur's Self-Service Garage in the Utah city, was just another garage operator. His business was so-so.

But then he got an idea.

"It used to amaze me," he relates, "that a lot of men—well-dressed and driving streamlined, new cars—would come into the garage for repairs and end up by doing most of the work themselves."

He explains that many of his customers—most of them traveling salesmen—seemed to be actually mechanics at heart. "Why, these fellows

were just itching to get their hands on some tools," he says. "I guess they still liked to tinker."

So Baur conceived a way to let his customers tinker to their hearts' content—and still pile money into the garage cash register. He turned his garage into a self-service establishment.

For 50 cents an hour, a patron can drive his car into the garage, take his choice of tools at the workbench and start ripping his car apart or putting it back together.

Baur and three assistants stand by ready with advice or help, as the case may require.

He admits: "Sometimes it's a job getting things back in shape after these boys get through tinkering. But they get a kick out of it—and we get 50 cents an hour, all profit."—DAN VALENTINE

"Tourists come to town with their pockets full of money," it said. "We want to relieve them of their cash. Those crackpot traffic engineers are keeping the Yankee dollar out of our stores."

In one East Coast city, tourists see red when they realize that a deceptively marked fork in the road has plunged them into a maze of small business streets. The state is not to blame. Its engineers set up an "Alternate Route 1" sign on one fork—a sign about 18 inches square—which designates a fast by-pass to New York. Then merchants, fearing a loss of business, put up a billboard on the other fork which fairly screams: NEW YORK. Naturally, most people follow the bigger sign.

Most downtown merchants suffer little real loss when tourist traffic is routed around them. They may lose a few transient dollars but it generally proves more profitable to make the local shopper happy. Diners, filling stations and small garages may sometimes fade and die but most of these solve their problems by moving back on the main highway. If through traffic is not moved out, it sometimes blights the whole downtown district.

Public distaste for these pills and palliatives can be reduced if peo-

ple are told what's being done. Many cities fail to make changes not so much because the public becomes aroused but because they're not organized for action.

Step One is to hire a qualified traffic engineer. Step Two is to give him some authority, by setting up a high-ranking traffic commission. Step Three is to get conflicting community elements pulling together, through a traffic advisory committee. Step Four is a planning commission, if a city is going to build expressways, terminals and the like. But that is the part that costs money—the kind of money most cities don't have.

From what has gone before it can be seen that three routes open out of our traffic dilemma:

Decentralize and desert valuable business districts that took generations to build.

Spend millions on things we can't pay for and leave the check for our children to pick up.

Sacrifice a few outworn habits and a few personal conveniences to make better use of what we already have.

It's up to the individual citizen what price he's willing to pay. In his decision lies the answer to the question:

How much do you want good traffic?

You'll Never Ride Behind an Atom

(Continued from page 44)

Each possible use for nuclear power has its own special problems, but there is one that is common to all—the need to find new materials. No metal or other material yet known will stand any important fraction of the temperature that a nuclear reactor could develop.

There is no idea, naturally, of using hundreds of thousands, or millions, of degrees. But it is important to use as much as possible. The efficiency of any heat plant depends on the amount of heat converted into useful work. The ability of nuclear power to compete with that from coal or oil, on a dollars-and-cents basis, depends in part on the temperature at which we can operate the nuclear furnace.

It is also necessary to find some substance, such as a liquid, metal or a gas, capable of withstanding the temperatures involved, to bring heat out of the reactor to where it can go to work.

It is desirable to choose a suitable moderator to slow down the neutrons so that they will fission U-235 atomic nuclei instead of shooting right on through without effect.

But all of these materials have to meet other tests. The "coolant" which transfers the heat must be capable of taking and holding heat, and it must not corrode the piping through which it flows. It must not absorb many neutrons, because that might slow down or even stop the chain reaction.

All three materials must be able to withstand neutron bombardment, which is intense in the reactor, without changing their physical or chemical properties.

On top of all this, there is the need for a radiation shield that will be less bulky and less heavy than concrete or lead.

Once the best materials for each purpose have been found, progress on all three projects—general power, planes and ships—should speed up.

At that time it would seem that the ship-powering experiment might be in the lead, because commercial production of nuclear power has yet another important test to pass.

The question then will become of real importance: is commercial nuclear power worth while?

For Navy ships we do not have to give much thought to economics. Nuclear power would enable a warship to cruise indefinitely without refueling.

For superbombers, likewise, cost of construction and of operation is secondary. With nuclear power there would be literally no limit to the distance a bomber could carry its deadly load, drop it, and return home.

But commercial nuclear power would be only a gimmick unless it could be produced cheaper than power from traditional fuels.

Is this probable? A public rela-



tions officer for the AEC says curtly that it is "highly unlikely." The Commission's members and administrative officers, in public speeches, are more optimistic, though they stress that any answer at this stage has to be a guess.

It seems to be generally accepted that nuclear power cannot compete in cost with coal unless science solves the problem of "breeding." Very simply, this means using the nuclear furnace at the same time to produce useful heat and to transform nonfissionable U-238 into fissionable plutonium—or, though this is for later experiment, to transform nonfissionable thorium, which is four times as plentiful as uranium, into fissionable U-233.

If "breeding" can be combined

with power production, the fuel cost of nuclear power would be reduced greatly. At the same time, the supply of nuclear fuel would be multiplied many times—and this is of importance, since there is a question whether, without breeding, enough fuel could be found to support the production of nuclear power on a commercial scale.

One thing is certain. However successful science may be in perfecting an efficient reactor and in providing sufficient fuel at competitive cost, nuclear fission is never going to give us extremely cheap power.

If a nuclear furnace cost no more to install than one of conventional type—if Uncle Sam donated U-235 or plutonium without charge—the maximum cut in our electricity bills would not exceed 20 per cent. That is about what the cost of fuel represents now.

Of the three types of projects, nuclear powering for aircraft looks furthest in the future. The reactor will give more difficulty, both because weight must be held down and because it may be desirable to operate it at higher temperature than the power plant on a ship.

But, even after such a reactor has been designed, the job is only well begun. Then it will be necessary to redesign the plane into which it is going. The entire weight of the nuclear power plant—maybe 50 tons—will be concentrated in one spot. There is no possible way of distributing it as the dead weight in a conventional big plane is spread around—engines in front, gasoline in the wings.

Every stress and strain in such a plane must be re-computed from scratch.

The more immediate, more certain peacetime benefits from nuclear fission do not lie in the power field at all. They come from radioisotopes, which are by-products of fission or can be produced as a sideline.

An isotope is a variant of an element, which has the same chemical properties though it differs in atomic weight. A radioisotope is an isotope that is unstable, and therefore radioactive.

In medicine, agriculture, industry, scientific research, the radioisotope promises much, has produced encouraging results, and also has brought quite a few disappointments.

There were great hopes for the

treatment of cancer because radioisotopes emit rays like those from radium. Here was a great new source of such radiation, capable of use in new ways. Its use brought some surprises.

It is known that certain elements, introduced into the body, tend to go at once to specific organs. Iodine, for example, goes to the thyroid. So does radioiodine. But it developed that healthy tissue grabbed more of the resulting radiation than did diseased tissue. So such treatment proved more effective against overactivity of the thyroid than against thyroid cancer.

Phosphorus—and radiophosphorus—seeks any rapidly growing tissue. Tumors—both the benign type and the cancerous—are composed of rapidly multiplying cells. So it was hoped that radiophosphorus would seek tumors and kill them off. To an extent, at least, they do. Unfortunately, enough radiation to kill a bad cancer may also kill the patient. This has happened.

Radioactive fertilizers

THERE were glowing stories about the probable fertilizing effects of radioisotopes. After experiments made last year in 14 states on 19 different crops, the AEC announced that, although tests would be continued, it appeared that the farmer could not expect increased yield from any radioisotope available at present.

Notwithstanding these disappointments and failures, radioisotopes already have proven their value in two broad and important fields. They have proven capable of measuring with a fineness that no mechanical or chemical yardstick can approach. And they have made it possible for science to study processes in bodies, in nature, in industry, that previously had to be guessed at or judged by frail logic.

The usefulness of radioisotopes in these fields depends on the radiation they give off, which can be detected by delicate instruments, so that the element emitting the radiation can be traced as it works its way around.

The extreme sensitivity of such instruments is suggested by a recent announcement from the University of Chicago. There is a minute quantity of radioactive carbon dioxide always in the air. This is absorbed by all living things. Its quantity is known, and also the rate at which it dissipates itself. So sensitive are the measuring in-

struments that the Chicago scientists say they can tell the age of anything that has lived within 25,000 years by measuring the radioactivity of the carbon dioxide that still lingers in it.

Doctors long have wished they knew better what certain medicines actually do when given to patients. Now, at the University of Chicago, radioactive carbon dioxide has been given to growing foxglove plants, which absorb the radioactivity and pass it on to digitalis made from the plants. The drug carries the radioactivity into the human body, where doctors can follow the drug by the radiation it gives off.

It is planned to do the same with other plants—poppies, from which morphine comes; tobacco, which gives nicotine; belladonna, the source of atropine.

The Goodyear Rubber Company makes plicofilm one-thousandth of an inch thick. Mechanical gauges read no closer than one 10,000th of an inch, and then none too reliably. But radiation from radiocarbon, passing through the film as the sheet rolls, measures to the 100,000th of an inch. And by amplifying the minute current that reaches the detector, the rays could be used to control the sheet's thickness automatically.

Gains for science

THESE are just a few examples of the sort of thing that is being accomplished already with radioisotopes, while we wait for nuclear power to be developed and wonder whether it will be of any practical use except for purposes of warfare.

If we are content to take our blessings the unspectacular way, no matter what happens to nuclear power we can agree with the AEC that:

"If the development of atomic energy had produced nothing else, its costs would undoubtedly have been balanced within a few years by the gains in knowledge that the nation is making with isotopes—gains that are already becoming tangible in medicine, chemistry, industry and agriculture."

If, on the other hand, we set our hearts on taking the girl friend to ride in Sunday traffic in a nuclear-powered convertible, we are going to be disappointed.

Nuclear fission—sure, it's wonderful. But it's not the absolute answer to all our problems. It can bring that only if we should insist on using fission to spread death, which alone ends our earthly quests.



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Uncle Sam's Indigestion

(Continued from page 26)

entire new farm program. If only we were to expand our livestock numbers, he explained, the mountains of grain would disappear. All we have to do is to make meat, milk, butter, eggs, and chickens cheap enough to let the consumer eat more; make the price for the farmer high enough to induce him to higher production and the medicine for Uncle Sam's indigestion will be found.

True, the Treasury would have to pay the difference between the low consumer and the high farmer price, but this would still be cheaper than to stock up on grains and give away pork, butter and eggs to foreign countries.

Practical difficulties

THIS would indeed be a cure-all—if it could work. But Brannan greatly overestimates the possible expansion of consumption, particularly since he does not intend to let the prices of livestock products sink "too low."

The Brannan proposal promises:

For the Farmers: Greater security and higher income than under any previous legislation.

For the Consumers: Lower prices for the kind of food they want.

For the Taxpayers: No higher costs than the present legislation would entail.

How can this miracle be attained?

Since the '30's the prices of a number of "basic" farm commodities—mainly wheat, corn, cotton and tobacco—have been supported by loans and purchases. Their production was restricted by acreage allotments.

From 1942 on, the support, which up to that time had been much lower, was raised to 90 per cent of parity. (Parity is that price per unit of a farm commodity which guarantees the farmer the same purchasing power as in 1909-14.) In the war years more and more farm products were added to the list of price-supported commodities as an incentive for production. At the end of 1948, when the wartime legislation was to expire, two thirds of the farm output was thus legally protected.

However, because of the postwar shortages, most prices were above their support levels and the support was thus a crutch hardly ever

needed before 1948. The Agricultural Act of 1948, the so-called "Aiken Act," continued the 90 per cent price support for most of the 1949 crops.

With surpluses already appearing, this act brought a significant innovation: From 1950 on, price supports were to be "flexible." "Basic" commodities were to be supported, not at a fixed 90 per cent of parity, but on a sliding scale of 90 to 60 per cent, to allow production to adjust to demand without too stringent restrictions. The support level of the nonbasic commodities was left much to the Secretary of Agriculture, who used his discretion only a few weeks ago to lower the support prices for potatoes, barley and grain sorghums.

Then, on April 7, Brannan set up the ideal of an all-out guaranteed farm income support at wartime income levels.

This is what the Brannan plan proposes:

1. In theory, price support for all farm commodities. In practice, price support primarily for wheat, corn, cotton, tobacco and all livestock products, with the others more or less at the discretion of the Secretary within the framework of the congressional appropriations.

2. A minimum "farm parity income" which would perpetuate in purchasing power the farm income derived from the expanded high war and postwar production. Support not at 60 to 90 per cent of the old parity, but fully 100 per cent of this new "income support standard." Thus the farm income would be made a safe island in the sea of fluctuating national income, benefiting from its rise, but largely protected against its decline. Computed at \$26,250,000,000 at present prices, it would double in purchasing power the farmers' cash income of 1939.

3. Acreage allotments, marketing quotas and marketing agreements as the sole devices for adjusting production to demand, to counteract the incentive to overproduction which is the natural consequence of high support prices. This will necessitate *all-out farm regimentation*—the price the farmer has to pay for greater security.

4. High support prices for livestock and its products to increase the number of grain consuming animals.

5. Outright subsidies, called

"production payments," to insure the farmer of the promised high income from livestock products and other perishables in the face of lower market prices, with the aim of stimulating consumption.

6. Protection of farm income up to \$26,000 per farm cash income, but not beyond.

In the Secretary's original proposal, not every farmer would be so fortunate as to get the full guaranteed price. In Russia, the big farmers (kulaks) are excluded from the village cooperatives, community house and radio, etc. The American large-scale operators, two per cent of all in number, but producing 22 per cent of all output, would be at a disadvantage for any part of their investment which represents sales over \$26,000.

But this part of the program seems already to have been watered down. Because the nonsupported production would break the price level, it will not be used where acreage and marketing quotas are in effect, which surely will be the case with wheat and cotton, strongholds of large-scale farming.

Under this plan, the support for most nonperishable commodities—one fourth of the total farm output—would be at least as high as before, and higher than under the present legislation. The consumer, therefore, would get no price relief for his bread and cereals. But for perishable goods, such as meat, milk and eggs, and later on, perhaps fruits and vegetables, Brannan will theoretically let prices fall in the market place until the consumer is able to buy everything.

Priority for price props

THERE are two decisive qualifications to all-out price support, however; the Secretary, while holding out the \$26,250,000,000 minimum farm income as an ideal, does not expect Congress to make sufficient money available for an all-out program. Therefore, he announced that wheat, corn, cotton, tobacco and livestock products would have first priority, while the others will have second or lower priority. Moreover, the Secretary explained, he would not allow market prices of perishables to become "too low." They should not fall below a "fair price."

When asked how he would maintain such a "fair price," he replied: "I would cut the production payments."

But who would be strong enough to withstand the combined pressure of farmers and consumers de-

manding ever greater subsidies?

The bill will be paid mainly by the taxpayers; partly by the large-scale farmers; partly by wholesalers, retailers and processors; and inevitably, partly by unbalancing the budget which might ultimately lead to inflation.

The plan may well change the entire structure of our society, if it inspires other groups to demand the same security and thus increase the tendency toward a subsidized economy in which large-scale enterprise would be discriminated against.

Taxes redistribute food

SUPERFICIALLY, it seems that the burden of payment for guaranteed farm income is shifted only from John Q. Public, the consumer, to John Q. Public, the taxpayer. But this is not quite true. The higher-income groups pay higher taxes than the lower-income groups and the former would, therefore, contribute toward the food costs of the not-so-rich.

The distributor may pay another part of the bill. Markups in retailing and wholesaling are to a great extent computed in percentages of the purchasing price. If the price of livestock products falls in the market place, because the Treasury pays part of it, after a while the distributor's markup will follow the market price downward in dollars and cents.

Secretary Brannan refuses to make a forecast of the costs. Nobody could do so with any claim to accuracy. We have no experience with such an all-embracing plan, nor do we know how much it will increase one kind of farm output and decrease others. Nobody knows what "disinflation" will do to consumption, even if the Treasury is paying part of the food bill.

We are now paying more than \$2,500,000,000 for the support mainly of grains, cotton, tobacco and potatoes. This amount is expected to be cut sharply, because acreage and marketing quotas are to eliminate most of the overproduction. This was the shining hope of the '30's, but it did not work! More fertilizer and more capital and labor investment can easily make up for less acreage under cultivation and have done so in the past.

Secretary Brannan proposes to raise milk consumption from the present 115,000,000,000 pounds per year to 150,000,000,000 pounds, by bringing the milk price down to 15 cents per quart to the consumer. According to one authority in the

Farm Federation Bureau, this alone would cost more than \$2,500,000,000 annually in "production payments," or a little more than one cent per pound.

As this article is written, the average price for hogs is about \$17.50 per cwt. Brannan's new support price is \$19. Suppose the price were to be allowed to fall to \$15 to raise consumption. The support per hundredweight would be \$4, or \$800,000,000 for the 20,000,000,000 pounds of hogs which will probably come into the packinghouses in 1950. But hog production under the new high support prices will increase to more than that, and most of the other perishable foods will need subsidies, too.

Brannan wants to give the farm community a stable income, irrespective of the income of the other parts of the nation. But the idea that farm income can dominate the business cycle is a dangerous illusion. "Disinflation" reduces tax income progressively, and all subsidies must be paid out of taxes or out of deficits.

Furthermore, to increase the consumption of meats and dairy products to the point where our increased livestock production would consume our huge surplus of grain is a practical impossibility. Any considerable increase in meat and dairy consumption would call for a much more drastic reduction in prices than the Secretary will admit, and it would call for subsidies so large as to be prohibitive.

With excessive subsidies, the entire farm-price structure is in danger of breaking down, thus destroying the very benefits which subsidies might otherwise achieve.

It is true that the use of production payments for certain perishables is preferable to an attempt to store or destroy them. We must bear in mind, however, that the payments of considerable sums in direct subsidies to the farmers in times of unemployment and business recession are likely to raise a storm of protests. It is also certain that with the cost of farm production going down, any government guarantee of production will inevitably result in production up to the utmost limit of that government guarantee and even far beyond that. For this reason, the Brannan program will foster rather than prevent surpluses.

There is a clear escape available to the farmer which has been almost entirely neglected. That is the industrial utilization of agricultural products. Furthermore, it is possible to enlist the farmer's own cooperation in adjusting production without sacrificing his independence. The Aiken Act would probably give the farmer more real and lasting benefits than the illusory "isle of security" of a plan which might end in the breakdown to the entire farm-security program and thereby destroy the great benefits which the entire economy has derived from a more moderate and realistic approach.



One Jump Ahead of the Fish

(Continued from page 32)

sheen, visible for miles on the open ocean. Back in port, sailmakers began to manufacture a side line of yellow linseed coats, pants, vests and aprons. The garments won the nicknames of "northeasters" and "slickers" and became world famous.

So cod and Gloucester went along. Serene white houses, each topped by a pillbox "widow's walk," spread along the cliffs of Mother Ann. Clipper ships carried tawny slabs of dried cod to China, India and Africa. Largely because of Gloucester, the Massachusetts House of Representatives voted that "a representation of a codfish in gold, as a memorial of the importance of codfishing to the welfare of the Commonwealth" be placed in their assembly room at the State House. It hangs there to this day.

Then, a century ago, industrial progress threatened to turn Gloucester into a ghost town . . . not for economic, but for sanitary reasons. Again, thanks to Main Street ingenuity, new industrial patterns were established that pointed Gloucester's program inescapably toward the sea-farming concept voiced in the International Convention.

Early in the 1840's, a wholesale fish dealer named "Fluid" Smith decided to skin and bone his cod at the warehouse and offer "salt fillets" to the market. One day, in 1849, Slade Gorton dropped in from Rockport. A cotton mill superintendent, forced into retirement when his plant burned, Gorton had been loafing happily at home until, the story goes, his wife "got sick and tired of having him underfoot." Thereupon, the good lady contrived with a bank official to withdraw all of her husband's savings and invest them in salt cod. Gorton took a long look at "Fluid" Smith's fillets and decided to go him one better by packing his own fillets in one- and two-pound wooden cartons. Then, his savings back in the bank, he'd retire again to the quiet life of Rockport.

Instead, Gorton's boxed codfish took New England housewives by storm. He built packing plants along the north shore of the harbor and eventually developed

"flaked" codfish and the canned "codfish ball," combination of salt fish and mashed potato. His sons, Thomas and Nathaniel, became the most famous wholesalers in Gloucester's history. In 1906, the Gortons merged with John Pew, owner of the port's largest fishing fleet, to become the No. 1 fish packers on the Atlantic seaboard.

Long before that, however, the salt fillet business had backfired in a way that sent housewifely noses straight up into the air and brought long, denunciatory sermons from the Congregational and Methodist pulpits on Sunday. Working overtime to meet the new fad for fillets, dealers had proceeded to dump the skins, bones and heads into the harbor. For a few months, the Atlantic dutifully washed this refuse out to the open ocean. Then, one day, it stopped and Gloucester harbor became a smelly, vapid slough of distilling fish scrap.

A city ordinance was passed to forbid further dumping of "scrap" into the harbor. Merchants began to make hurried appeals to farmers throughout New England to use "fish scraps" for fertilizer.

One farmer who took up their offer was John S. Rogers who duti-

Rogers set to work in his barn, boiling fish skins and distilling the liquids until he developed a method of producing the glassy, amber cake glue known thereafter as "isinglass." Down on Main Street, a youngster named Isaac Stanwood had been working on the same idea. Rogers and Stanwood glues were offered for sale at about the same time. A long patent suit resulted. But the scrap problem was solved.

Now both Stanwood and Rogers began to buy the fish skins and scraps piled along the wharves. The new industry took on national scope when Stanwood hired a young salesman named William LePage. LePage called on a chemist at Harvard University and learned that carbolic acid would be an excellent preservative for liquid fish glue. That knowledge, plus his salesmanship, won him a partnership. Eventually, he and his backers organized the Wm. N. LePage Co. His name was perpetuated when its successor, the Russia Cement Company, was reorganized as LePage's, Inc.

Out of the glue incident came Gloucester's first awareness of the fact that its sea harvests reaped more than human food. Glue became the first link in a new industrial chain. The scraps, with glue distilled from them, were turned over to processors who kiln dried the residue, ground it and sold it as "fish meal" to be mixed with poultry and dairy feeds. Pharmaceutical houses, following closely on scientific discoveries, began to plague Gloucester dealers for fish liver extracts and oils. The fleet's total catch for the year of 1907 reached the all-time high of 105,000,000 pounds.

Then, for a third time, change came around the headlands . . . this time from the sea itself. Year by year, the cod, halibut and haddock had edged further northward. Boat runs extended 50 . . . 100 . . . 500

miles out from Cape Ann. Steam replaced sail. Lean 100 and 150 ton trawlers and draggers using cone-shaped nets, 90 feet long, displaced the schooner and its yellow-slickered dorymen. World War I came and, in the rush to fill orders for European armies, Gloucester vied angrily with Canadian fishermen. Gorton-Pew, expanding to meet a contract to provide cod for the armed forces of Italy, built an elaborate chain of drying yards and piers as far north as Iceland. Then, a month after the 1918 armistice,



fully spread fish skins on a patch of cornland one spring evening. He awoke the next morning to find his boots glued fast to the woodshed floor.

Somewhere in his readings, or in lectures at the Lyceum, he had learned that the Greeks once knew a method for making glue from fish. They called it *ichthyokolla* and manufactured it in small batches as needed, for they knew no preservative for it. Then, during the Dark Ages, the process was lost.

King Victor Emmanuel canceled the contract . . . and threw Gorton-Pew into receivership.

Canada, once in the smoked and salt fish market, expanded its fleets, built processing plants along the Nova Scotia and Newfoundland shore. By 1921, Gloucester was down to a total catch of 32,000,000 pounds. The word got around. Gloucester was finished. Fresh fish markets were firmly centered in Boston and New York. Canada and Scandinavian countries could undersell on the salt and smoked stuff. A few people whispered about the Italians and Portuguese, down by The Fort, who still plugged along . . . voyaging to Iceland, sometimes, before they made a catch. And, if mackerel or cod or halibut weren't running, they brought back a load of the squiggly, little pink fish the old-timers called "brim." Gloucester men had used brim for a century . . . but only as bait for lobster-traps. "The Portygees eat 'em . . . say they're good."

Up and down, but mostly down, the economic life of Gloucester bobbed through the perilous '20's. By 1931, the total catch had skidded to 25,000,000 pounds. Yet, the port was readying for its greatest years.

A market in freezing

ACROSS the harbor, on Eastern Point Boulevard, a former government scientist named Clarence Birdseye had settled down to home research. As an explorer and medical assistant to Dr. Wilfred T. Grenfell in Labrador, Birdseye had eaten frozen fish and caribou meat that was still tender and fresh-flavored. Now, he was trying to duplicate that process. Finally, in 1925, he came up with the fact that the faster a food can be frozen, the less chance there is of formation of large ice crystals which tear down cell walls, let out natural juices and injure the texture of the food.

Birdseye sold his quick-freeze process to General Foods in 1929. The following May, in Springfield, Mass., the first quick-frozen foods were offered to the American consumer. About the same time, J. Larry Alphen, head of the General Seafoods Division of General Foods, took another look at those little, pink brim. Their average weight was ten ounces and, research would show, it took them 13 years to grow to that size. But the flesh was crisply white; it froze nicely in Birdseye's machines, and was fairly easy to fillet. "Look like the perch we used to catch in the millpond," Alphen grinned, "Let's

call 'em that. Redperch . . . rose-fish. Anyway, we'll give 'em a whirl." Rosefish went on the order boards along the Gloucester waterfront for the first time in 1933. The port's catch doubled in 1934 and by 1939 was scraping the 100,000,000 pound mark again. Then, as now, two thirds of the catch was "rosies" . . . the despised lobster bait of a generation before.

American dream continues

"SURE. We came back." Ed Crowell waved a hand toward the stack of income tax forms. "A town always comes back if it's got bounce . . . hard rubber bounce, wound around a dream. Look at this company. Ben Curcuro came here as a deck hand from Sicily. He couldn't read or write. He's 59 today. He founded this company. He's president of the Gloucester National Bank. That's the American dream, revving right along on full horsepower."

"But," he swung his chair back toward the window again, "that's not the full answer. It cost \$18,000 to outfit a boat 40 years ago. Today, you can't outfit a dragger for less than \$150,000 . . . and, if it's a big-beam trawler, it's more likely to be \$300,000 or more. And what about the rosies? Are we going to fish them out, as we fished out the cod and halibut? Isn't it about time that man became civilized in all his farming, on the sea as well as the land? That's the job, from here on out."

I walked down the stairs, out to the blue-gray afternoon. Back across the bay, the bronze figure of the Fisherman's Statue gleamed softly. Behind it, white on its hill-top, stood the mansion where LePage's still centered its business . . . turned now to vegetable and synthetic glues as well as isinglass. North the Gorton-Pew canneries curled smoke streamers across the headland as though to announce, triumphantly, the one hundredth anniversary of Mrs. Slade Gorton's decision to get her husband "out from under foot."

The crowds were still strolling aimlessly but inevitably toward the waterfront and the long look to the blue-green wilderness. Talk about the diatoms and algae and the other minute sea life that do the real job of manufacturing vitamin oils from sunlight . . . yet have never been examined, marketwise.

Out there lay the sorrow and the pride of yesterdays. Out there lay the hopes of tomorrow. That's how a town stays alive . . . by building dreams, with a hard rubber bounce.



How's your health . . . and the health of your business?

Feeling good? Like to go where the sun shines every day? Where you, your family, and your employees live in a clean healthful atmosphere? Then investigate the new economic advantages of the prosperous Tampa territory of the great sunshine state of Florida. Write to the Greater Tampa Chamber of Commerce for a copy of their new industrial and vacation booklets. And here's a thought for the summer . . . the Tampa area is one of the finest summertime vacation spots in the land!



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By My Way

By R. L. DUFFUS



The recurrent dandelion

THERE aren't many things prettier than a green lawn in spring strewn with the fresh yellow blossoms of the dandelion. And there is scarcely anything an amateur gardener won't do to get the dandelions out of his lawn. I know why. A dandelion, though its leaves make delicious greens in spring, hasn't the staying quality to be pretty all summer. But nobody ever quite gets rid of it. It keeps returning, season after season. It reminds me, in that respect, of sin. I have tried getting rid of both, without complete success.



"C. F.-D. L."

AS NEARLY as I can figure out the circumstances, two young lovers (or maybe just one) wandered out on the tracks of the New York, New Haven and Hartford Railroad, west of Pelham, in January, 1948, carrying a pail or tube of black paint, and wrote the initials "C.F.-D.L." inside a heart on a pillar of a viaduct. I see this inscription frequently as I pass by. I wonder what the initials stand for. I wonder if Celia and David (my tentative substitutes for the first letters) still love each other. If they don't, I wonder why, and whether either one is married, and if one or both has regretted painting the inscription.

I also think back to a certain beech tree near Williamstown (Vt.) which bears, or used to bear, my own initials. If there are other initials near by on that tree I'm not sure now whose they are. I know I didn't marry them.

But love is a wonderful thing, even when it paints or carves itself

where it shouldn't, defacing railroad property and perhaps injuring trees, and I hope it will continue to flourish among us for many years to come.

Was the trip worth while?

I NEVER saw a cosmic ray, but I am told there are some, raining down from outer space like nobody's business. A famous atomic scientist says that the reason they are so fast is that they originated a long way off as long ago as 2,000,000,000 years, and have been getting up speed all that time. I suppose they didn't stop for red lights or anything. I hope they like it here on our little planet, after all that traveling. If they don't of course they can go back where they came from.

Tit for tat

A NEW YORK restaurant man says that at the turn of the century there were 31 indigestion remedies on the market. Now there are 231. He attributes this to fast eating. This doesn't seem like progress. On the other hand, let us remember that indigestion, with its demand for pills, gives employment to many thousands who might otherwise be idle.

The work habit

I HAVE a sort of split personality, with New England on one side of the seam and (I think) a South Sea island on the other. The New England side of me says that it is virtuous to get up early, work hard all day and not have too much fun. The South Sea island side (if that is what it is) says we pass through this world but once and ought never to let business interfere with pleasure. This side of me, I am happy to state, finds support in a recent statement by Dr. (and Sir) Heneage Ogilvie, a famous British surgeon. Dr. Ogilvie declares that stress diseases (he is thinking of ulcers and high blood pressure)

"are seldom encountered in the lazy and the placid."

So I say to my New England side, when it warns me not to waste time, that the greatest waste of time imaginable is to work too hard and get ill. I am going to try to live to be a grand old man, and when somebody asks me how I did it I am going to answer that I owe everything to my placidity and laziness. I say I shall try. It is hard to shake off the work habit, once it has fastened itself on you.

"Horribles" on parade

IN MY Vermont town, in the old days, there used to be an early morning Fourth-of-July parade of outlandishly garbed young men—the worse they looked the better they and everybody else liked it. I haven't heard of this custom for ever so long. Does it still persist? Can it be found anywhere outside of New England? In short, if any reader has recently seen any "Horribles" (for this was what we called them) will he please let me know? I hate to see old traditions die out.

Imitating the buzzard

A PROFESSOR at Mississippi State College is studying the habits of buzzards in the hope that he can learn from them something about aerodynamics. A buzzard has a tail assembly but no rudder. Yet he can follow a rising thermal current better than a human being in a glider can. At the same time, as Dr. August W. Raspet says, he cheats by using his wings now and then. In other words, he is not as good a sport as the human pilot of a glider plane, who deliberately entrusts himself to the air without an engine. A buzzard will also eat things that a human pilot will not, even though the buzzard does not drink, smoke or play cards. Personally, I believe I prefer pilots to buzzards, and I hope that though we may imitate the buzzard's technique we will not imitate his morals.

The voluble motorcar

THE talking horse joke is, I suppose, as old as the horse itself—at least in its (the horse's) domesticated form. I can always believe a talking horse joke because I believe that practically any domestic animal could talk if it wanted to, only as a rule it doesn't want to. What I find hard to believe is that an automobile, which is just a machine made in Detroit or somewhere, can talk. Yet I heard one

talking today. It was parked at the curb and nobody was in it, but it was making a speech in a loud, distinct, manly tone. Then it had a little argument with itself about something—politics, I imagine—and after that it announced the weather, which fortunately was fair and not too warm, rang a bell, plugged somebody's hair wash and finally broke into song.

If I had related such an experience as this 30 years ago I know where I would have wound up, and it wouldn't have been in church, either. But the only comment I now get is, "Well, that fellow was sure running his battery down."



Hens, old style

MANY people do not like hens, though they are perfectly willing to eat fried chicken. In my own case the sound of hens in an old-fashioned barnyard, announcing the production of the world's most remarkable egg or just cluck-clucking around, sleepwise, to the effect that this is a good and peaceful world, is one of the most soothing I know. I imagine that my emotions go back to boyhood days, before sin was invented, and the world seemed all that the hens said it was. I wonder if other country-bred folks have such memories. And I wonder if they share with me the belief that it isn't democratic to keep hens in little cages, with only a wire netting to scratch and not even any egg to look at, because the cage is so fixed that the egg rolls out of sight as soon as it is laid.

The good old days?

WHAT strange instruments our memories are! The smell of wet steam, from a locomotive with a leaky gasket or something, standing in a suburban station, sent me back more years than I shall mention. . . . H. C. Whitehill, editor of the Waterbury (Vt.) *Record* and Stowe (Vt.) *Journal*, had just put in a steam-heating plant. I, as printer's devil, janitor and all-round cub (and cub was the word) was assigned to keep the steam up. I did this by shoveling coal into a firebox beginning at 5:30 a.m. (this is much too early to be up)

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and continuing at suitable intervals until approximately 6 p.m. I also carried papers, ran presses and errands, set type and occasionally picked up an item of local news. It was cold that winter. We even called it cold in Vermont, and if I still have fingers, ears and a nose it is not because they did not all have a chance to freeze off. I love to look back at those days, to which the smell of wet steam takes me. I would love to be 16 again. But if being 16 meant tending that boiler—well, I don't know. What I really want, I suppose, is to be 16 and have somebody bring me my breakfast in bed; and I think maybe my reactions to this situation are normal.

The last joke

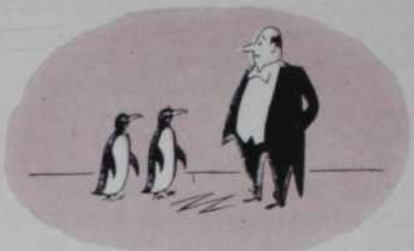
ANOTHER proof that this is a funny world is that every now and then a supposedly rich man dies and leaves no money, and every now and then a supposed pauper passes away, as one did in New Jersey not long ago, and turns out to have had \$475,700, or some such sum, in cash and negotiable bonds. In either case the joke, good or bad, is on somebody, and one imagines an echo of laughter from the Other Shore when the news is given out. But personally I would rather play jokes while still alive. I haven't got \$475,700, either, assuming that anybody is curious. The reason my shoes look that way is that I have been too busy lately to buy any new ones.

On meeting a V. I. P.

I MET an important person—or, as the wartime abbreviation put it, a V. I. P. I am not sure he was as conscious of meeting me as I was of meeting him, because a number of other people were around and it seemed to me that before I had finished shaking his hand I was down at the other end of the room. Still, I now know him, theoretically speaking, and when I write my reminiscences I shall relate how he said "Ump" in a particularly significant manner, and how this affected my life. I wondered how many people he knew, by this sort of introduction, and what he would do if they all called on him at once. And this reminded me of a story related somewhere or other by Mark Twain. He was introduced—properly introduced—to the Prince of Wales, later Edward VII. They had, he said, met before. "You were coming down Piccadilly in a parade," Mark Twain explained. "I was the

man in the brown overcoat who took off his hat as you went by."

On the whole I am glad I am not a V. I. P., or a seal at the zoo in August, either. As Gelett Burgess said of the purple cow, I'd rather see than be one.



Why are penguins funny?

AMONG my clippings is one about some penguins who bit their way out of a wired crate at two in the morning on—or one might say off—a truck on Route 25, in the State of New Jersey, near Hightstown. Six of the fugitives were picked up by the state police, or other duly sworn peace officers. Two were described as still at large. I followed this story faithfully in my favorite newspaper but never did learn what happened. Maybe New Jersey will be overrun with penguins in a few years, for the two that got away were of, if I may say so, opposite sexes.

But this is not what bothers me. I think New Jersey can deal with any situation that arises. I want to know why a penguin is funny, and specifically why it is funnier than I am—or funnier than any other human being. A penguin struts without good reason—so do human beings. A penguin wears a sort of full-dress suit, with a white vest—human beings do this, too, and even get their pictures taken. A penguin is an awful solemn bird at times—so am I at times; so, dear reader, are you at times. You just can't get on with a penguin before it has had its breakfast—nor with me, nor with lots of other people. Why, then, is a penguin funny? All I know is, it is. Maybe we all are.

The vanishing horse

A GEOLOGIST says the horse is doomed. I am sorry, for I like horses—especially the kind of horses who do not jump up and down and shake your teeth out when you sit on them. Some of my fondest recollections are associated with horses. To this day I remember the happiness I experienced when I found myself safely on the ground, with no broken bones and only a few contusions, after trying to ride a frisky Indian

pony bareback. I shall miss the horse when he is gone.

I give myself a watch

I HAVE just presented myself with a new watch. I did this because it wasn't Christmas or my birthday or anything, and I wasn't even retiring after 50 years of service with the same firm. I merely made myself a little speech, in which I said that this small token of esteem, from myself to me, only faintly reflected the opinion I had of myself. But I did not mean to go into these personal matters. If I have been good to myself all these years it wasn't any more than any other man would have done in my place. What this watch really is to me is the terminus of a long succession of watches, beginning with a dollar watch many years ago, and built up as time went by through a series of trade-ins. But I don't suppose this timepiece, which is a handsome one, will mean as much to me as the dollar watch did. One cannot have one's first watch twice; the dollar isn't worth what it used to be.

Trouble with Italian

I HAVE mentioned in these columns that my wife and I are studying Italian in preparation for a visit to Italy. Italian is a beautiful language and I do not blame the Italians for speaking it. But they have made the same mistake that the French, the Spanish and the Germans (these are the only other modern languages in which I have dabbled) have made. I refer to irregular verbs. Let us take the verb *porre*, to put or place. If I place anything right now, in Italian, I *pongo*. If you place something you either *pone* or *ponete*. If I placed something somewhere and then went away that is a completed action, for which the word is *posi*. If I intend to place or put something this afternoon or early tomorrow morning the word is *porro*. I say this is unreasonable. It makes for international misunderstandings. When I am in Italy I shall never know whether I am placing something or whether I am merely able to place something, for an American is as likely as not to trip over the verb meaning able, which is *posso* in the first person present indicative, and fall down and hurt himself.

I hope to report later on how I get on talking Italian to the Italians. But just to be sure I am going to learn the Indian sign language.

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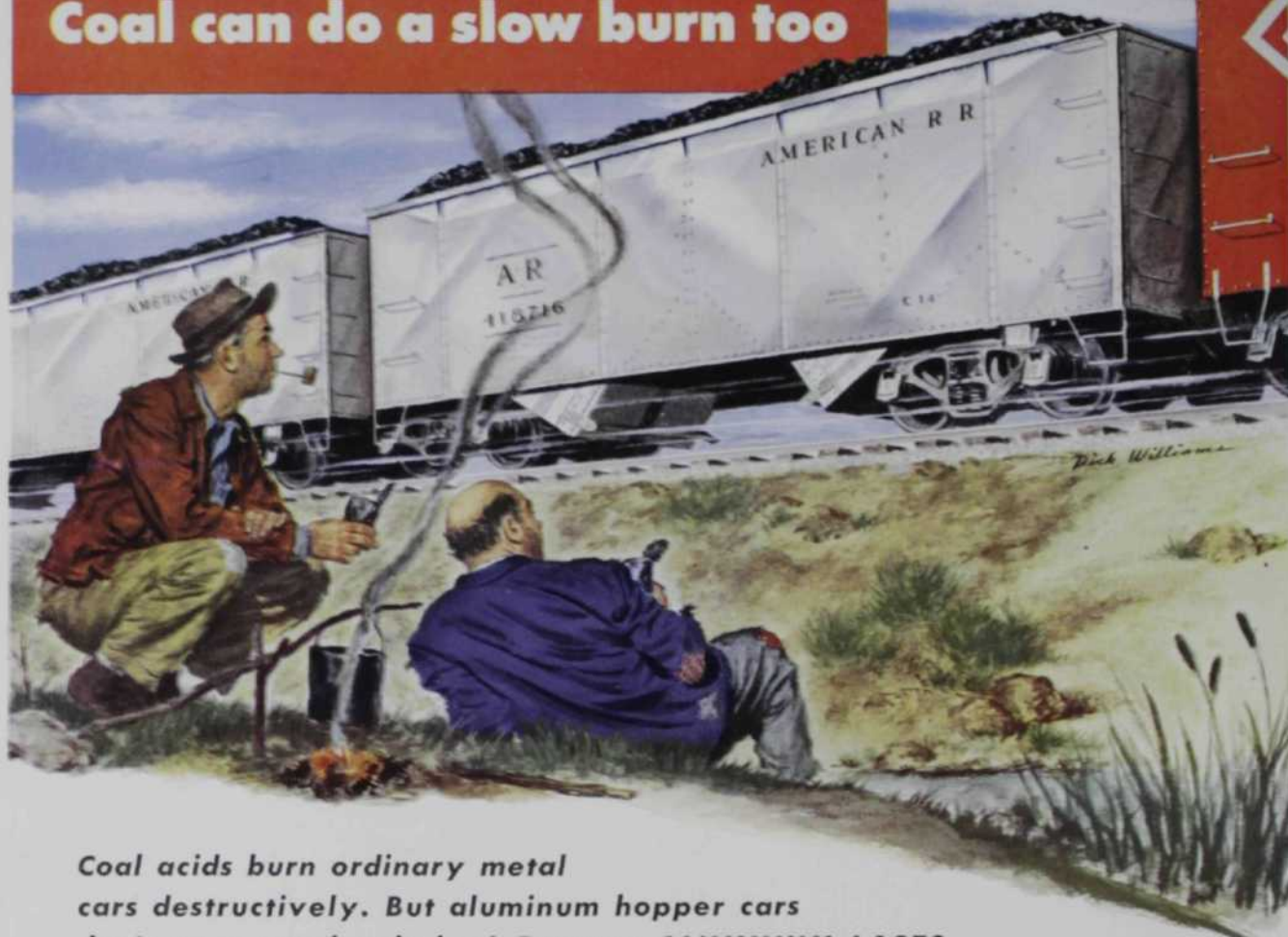
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